FILED.
DEC 18 1894
JAMES H. McKENNEY,
CLERK.

IN THE

# SUPREME COURT OF THE UNITED STATES.

THE CAPITAL BANK OF ST. PAUL, MINNESOTA,
*Plaintiff in Error,*

*vs.*

SCHOOL DISTRICT NUMBER TWENTY-SIX, BARNES COUNTY, NORTH DAKOTA,
*Defendant in Error.*

## PETITION.

WM. M. JONES,
COUNSEL FOR PLAINTIFF IN ERROR.

BARNARD & HORNSTEIN, PRINTERS, CHICAGO.

IN THE SUPREME COURT OF THE UNITED STATES.

*To the Honorable Judges of said Court:*

The Capital Bank of Saint Paul, Minnesota, Plaintiff in the suit recently depending in the United States Circuit Court of Appeals for the Eighth Circuit, on error to the Circuit Court of the United States, for the District of North Dakota, South Eastern Division, wherein, The Capital Bank of Saint Paul, Minnesota, was Plaintiff in error, and School District Number Twenty-six, Barnes County, North Dakota, was Defendant in error, respectfully petitions this Honorable Court to require its case to be certified to this Court, for its review and determination, and asks that the same be done by a writ of certiorari or otherwise, as provided by law and the practice of this Court, and that the judgment of said United States Circuit Court of Appeals, for the Eighth Circuit, may be reversed, and said plaintiff in error presents herewith, a certified copy of the entire record of said case in the said United States Circuit Court of Appeals, as part of this application, and respectfully assigns for error, in said judgment of said United States Circuit Court of Appeals,

*First:* That said United States Circuit Court of Appeals erred in affirming the judgment of the said Circuit Court of the United States, for the District of North Dakota, in said case.

*Second:* That said United States Circuit Court of Appeals erred in not reversing the judgment of said Circuit Court of the United States, for the District of North Dakota, in said case.

*Third:* That the United States Circuit Court of Appeals erred in entering judgment against said plaintiff in error for costs, in said proceeding in error. And said petitioner presents and furnishes herewith, separate assignments of error, particularly stating each error, both in the United States Circuit Court of Appeals for the Eighth Circuit, and in the Circuit Court of the United States, for the District of North Dakota, Southeastern Division, which it asserts and intends to urge in this Court.

Wherefore, said The Capital Bank of Saint Paul, Minnesota, respectfully petitions this Honorable Court for a writ of error or certiorari, and for such other or different proceedings of this Honorable Court, as may cause said case to be certified to this Court, for its review and determination, as provided for by law, and as may be in accordance with the practice of this Court.

WM. M. JONES,
*Attorney for Plaintiff in Error.*

165-720

No. . October Term, 1896.

165-720 683

IN THE

# Supreme Court of the United States.

William Campbell and J. J. Smith, Appellants,

*vs.*

Thos. De(). Richardson, Frank E. DeLong, and Chas. F. DeLong, Appellees.

## PETITION OF RICHARDSON *ET AL.* FOR WRIT OF *CERTIORARI.*

FREDERICK P. FISH,
WILLIAM C. STRAWBRIDGE,
JOHN G. JOHNSON,
*For Petitioners.*

Allen, Lane & Scott, Prs., Phila.

165-720

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FREDERICK P. FISH,
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*For Petitioners.*

Allen, Lane & Scott, Prs., Phila.

SUPREME COURT OF THE UNITED STATES.

October Term 1896.

| | |
|---|---|
| Ex parte *Thomas DeQ. Richardson, Frank E. DeLong and Charles F. DeLong, Petitioners.* | Original, No. . |

*Petition for writ of* certiorari, *requiring the Circuit Court of Appeals for the Third Circuit to certify to the Supreme Court for its review and determination the case of William Campbell and J. J. Smith, Appellants* vs. *Thomas DeQ. Richardson, Frank E. DeLong, and Charles F. DeLong, Appellees.*

TO THE HONORABLE THE SUPREME COURT OF THE UNITED STATES:

The petition of Thomas DeQ. Richardson, Frank E. DeLong and Charles F. DeLong respectfully shows to this Honorable Court as follows:—

FIRST.—Your petitioners are the sole owners of Letters Patent of the United States No. 462,473, dated November 3, 1891, and of all the rights secured by the same, and, being such owners, brought suit in the Circuit Court of the United States for the Western District of Pennsylvania against William Campbell and J. J. Smith for infringement of said Letters Patent; which suit was brought to a final hearing upon pleadings and proofs and was argued before the Honorable Marcus W. Acheson, United States Circuit Judge, and the Honorable Joseph Buffington, District Judge for the Western District of Pennsylvania, sitting together, on or about the 10th day of September 1895.

SECOND.—On the twenty-seventh day of January, 1896, the said court filed its opinion sustaining the validity of said Letters Patent and adjudicating that the first claim thereof had been infringed by the said defendants, whereupon a decree for an injunction and an account of profits and damages was duly entered, in said court, against the defendants.

THIRD.—The said defendants were thereafter allowed, by the said Circuit Court, an appeal from its decree, to the United States Circuit Court of Appeals for the Third Circuit, and it was ordered by the court that a certified transcript of the record and of all proceedings in the said cause be forthwith transmitted to the said United States Circuit Court of Appeals.

FOURTH.—The case came on to be heard in the said Circuit Court of Appeals on the 16 day of September 1896, before the Honorable G. M. Dallas, United States Circuit Judge, the Honorable L. E. Wales, District Judge for the District of Delaware, and the Honorable William Butler, District Judge for the Eastern District of Pennsylvania; and, on the seventeenth day of October 1896, the said court filed an opinion in which it was decided that the said decree be reversed and that the Bill of Complaint in the cause be dismissed, and thereafter a mandate, in accordance with said opinion, was sent to and filed in the said Circuit Court.

A certified copy of the entire record of the said case in the said Circuit Court of Appeals is herewith furnished, and hereto annexed, as part of this application, in conformity with Rule 37 of this Honorable Court relative to cases from Circuit Courts of Appeals, and the same is marked Exhibit "A."

FIFTH.—Your petitioners are advised and believe that the said judgment of the United States Circuit Court of Appeals in the said case is erroneous, and that this Honorable Court should require the said case to be certified to it for its review and determination, under and in conformity with the provisions of the sixth section of the Act of Congress entitled "An

Act to establish circuit courts of appeals, and to define and regulate in certain cases the jurisdiction of the courts of the United States, and for other purposes", approved March 3, 1891, the said case being made final in said Circuit Court of Appeals by the said act.

SIXTH.—The ground upon which the said Circuit Court of Appeals reversed the decision of said Circuit Court was that, under the construction of the first claim of said Letters Patent adopted by the United States Circuit Court of Appeals, the device used by the defendants did not infringe. The construction of the claim which was essential to this finding, and which was expressly stated by the said Circuit Court of Appeals as its reason for said finding, was predicated upon the following facts:

There were three claims in said Patent, only two of which are material to this question and were considered by said Circuit Court of Appeals, to wit:—the first and second claims.

The first claim was for a structure which, in terms, required the presence of three elements, and only three.

The second claim of the said Patent was for a structure which required, in terms, the presence of said three elements together with a fourth element specifically namd.

Each of said claims terminated with the usual expression "substantially as described."

The structure of the first claim, made up of the said three elements, was in and of itself entirely complete and operative and the additional element of the second claim was supplementary to the other three elements and was not required for their perfect operation as a complete structure, nor was it material in any way to the organization and operative character of the structure of said first claim.

It was the fact that the specification and drawings of the said patent described and showed a device which contains all the elements mentioned in the narrower, and more specific, second claim.

SEVENTH.—The said Circuit Court of Appeals held that the words "substantially as described" imported into the first

claim, as a limitation, the specific element which was, in terms, omitted therefrom, and which was, in terms, included in the second claim.

No difference was adjudged to exist between the defendants' device and that of the patent, except that the defendants' device lacked the specific element, which, in terms, was lacking from the first claim of the patent, and whose presence was expressly required, in terms, by the second claim of the patent.

In consequence of the limitation thus imposed, and for no other ground of difference between the two structures, the said Circuit Court of Appeals found that said device did not infringe said patent.

EIGHTH.—By reason of the decisions of this Honorable Court, followed by numerous decisions of the Circuit Courts, it has become a well established rule of construction that the words "substantially as described," do not import into a claim a limitation to the exact details described and shown, and that the said words are not to be construed against the clear legal intendment of the patent.

NINTH.—In the present instance, the specific omission of an element from one claim and its specific inclusion in another claim (which differs from the first, only in the fact of such inclusion) present a clear legal intendment which is inconsistent with the limiting force asserted by the Circuit Court of Appeals to reside in the words "substantially as described."

TENTH.—The importance and gravity of the question here presented will be recognized when it is stated that the well settled practice before the Patent Office, in reliance upon the precedents above referred to, has led to the almost universal use of the words "substantially as described," in the claims of patents, without the intention on the part of the patentee to impose limitations to exact details. The effect of the rule of law announced by the decision of the Circuit Court of Appeals in this case would be to unsettle the title to patents

generally, and to render practically worthless a very large number of Letters Patent granted by the United States, upon which, in many instances, large amounts of money have been expended and enormous commercial interests have been based, on the belief that such patents were not limited by the use of the above mentioned words in the claims of such patents. If the said rule of law were allowed to stand, the real inventions which were supposed to be suitably protected by letters patent would, in many cases, be immediately thrown open to the use of the public, and the inventors of the said improvements would be deprived of the reward that it is the design of the Patent Laws to secure to them.

ELEVENTH.—Your Petitioners thus respectfully submit that the question of the legal and just construction and equity of the words "substantially as described" involved in and presented by the case of your Petitioners, should be authoritatively and finally adjudged by this Honorable Court upon and after a full presentation to the Court of the merits of the said question on the part of the respective parties.

Wherefore, your Petitioners respectfully pray that a Writ of *Certiorari* may be issued out of and under the seal of this Court, directed to the United States Circuit Court of Appeals for the Third Circuit, commanding the said Court to certify and send to this Court on a day certain to be therein designated, a full and complete transcript of the record and all proceedings of the said Circuit Court of Appeals in the said case therein entitled William Campbell and J. J. Smith, Appellants, vs. Thomas DeQ. Richardson, Frank E. DeLong, and Charles F. DeLong, Appellees, to the end that the said case may be reviewed and determined by this Court, as provided in section six of the Act of Congress entitled "An Act to establish Circuit courts of appeals and to define and regulate in certain cases the jurisdiction of the courts of the United States, and for other purposes," approved March 3, 1891, or that your Petitioners may have such other or further relief or remedy in the premises as to this Court may seem appro-

priate and in conformity with the said Act, and that the said judgment of the said Circuit Court of Appeals in the said case, and every part thereof, may be reversed by this Honorable Court.

And your petitioners further pray that this Honorable Court will stay proceedings in the said Circuit Court under the mandate of the said Circuit Court of Appeals, until the determination of this cause in this Honorable Court.

And your petitioners will ever pray.

THOMAS DeQ. RICHARDSON,
FRANK E. DeLONG,
CHARLES F. DeLONG,
By
WILLIAM C. STRAWBRIDGE,
*Attorney and Counsel for Petitioners.*

FREDERICK P. FISH,
JOHN G. JOHNSON,
*Of Counsel for Petitioners.*

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STATE OF PENNSYLVANIA }
CITY OF PHILADELPHIA } *ss.*

William C. Strawbridge, attorney in fact of Thomas DeQ. Richardson, Frank E. DeLong, and Charles F. DeLong, being duly sworn, deposes and says that the facts set forth in the above petition are true, to the best of his knowledge and belief.

Sworn to and subscribed before me this fifth day of January 1897.

*Notary Public.*

## *BRIEF IN BEHALF OF PETITIONERS.*

### STATEMENT OF THE CASE.

This is a motion for a writ of *certiorari* to be issued to the Judges of the Circuit Court of Appeals for the Third Circuit, requiring them to certify to this Court, for its review and determination, the case of *Campbell & Smith, Appellants,* vs. *T. DeQ. Richardson,* et al., *Appellees,* lately pending before that Court.

The suit was begun in the Circuit Court of the United States for the Western District of Pennsylvania by the filing of a bill of complaint by Richardson and others against Campbell and Smith. The complainants there alleged that they were the owners of certain United States Letters Patent No. 462,473, and that the defendants were infringing upon the rights secured by such patent.

The cause was argued upon full pleadings and proofs in the Circuit Court, (Acheson and Buffington, J. J.) which, on January 27, 1896, filed an opinion in which it was held that the patent sued on was valid and that the defendants had infringed the first claim thereof. (Record, p. 608, Vol. 3).

The defendants appealed to the Circuit Court of Appeals for the Third Circuit from the decree entered in accordance with this opinion, and the last named court held that there was no infringement of the claim in issue, and reversed the decree of the Circuit Court. (Record, p. 625, Vol. 3).

The decision of the Circuit Court of Appeals was expressly based upon the construction given by the court to the claim in issue, and this construction was predicated upon the words with which the claim terminated, which were the words commonly and almost universally used in patent specifications, viz. "substantially as described."

The Circuit Court of Appeals construed the words "substantially as described" as having a strictly limiting effect, and as controlling the construction to be given to the claim. The court said that the device described in the claim "is the one described in the specification and drawing; the claim ex-

pressly so declares," and, acting upon this view, the Court read into the claim an element not specified therein and which was not used by the defendants. The Court also said that, if the language of the claim were taken literally, nothing new would be embraced therein, in view of two prior patents for hooks to the same inventor, viz.: patents No. 411,857, (Record, p. 112, Vol. 1), and No. 462,472, (Record, p. 109, Vol. 1.) But this *dictum* was clearly incorrect. The two patents referred to are for hooks of an entirely different construction, these patents and the patent in suit being for three different and mutually exclusive ways of making hooks of a general type and character that was radically new and very important in the hook art and each radically distinct from the others. If the Court had not made the mistake of misconstruing the meaning of the words "substantially as described" and had found it necessary to decide the question of the validity of the patent in suit, in view of these two prior DeLong patents, it could not have made the mistake of supposing that there is no novelty in the combination of the specific elements recited in claim 1. Not only did the Circuit Court decide that the combination of the elements specified in the first claim was novel, but also the Patent Office has twice passed upon the same question and decided it in the same way; once, when it allowed the patent in suit to issue, and again when it issued the more narrow patent under which the defendants claim that they manufacture their articles, and which is for practically the same structure as that described in the claim in issue, (Record, p. 72, Appendix). But this part of the opinion of the Circuit Court of Appeals is mere *dictum;* the decision proceeded upon the supposed force of the formal words with which the claim terminates.

That it had not been intended either by the applicant or by the Patent Office that this claim should include the unspecified element which the Court, improperly as we contend, read into the claim, is obvious from a consideration of the second claim of the patent in connection with the one in issue, as will be pointed out hereafter.

The construction of the claim by the Circuit Court of Appeals, relying upon the meaning given to the words "substan-

tially as described" is directly contrary to many decisions of this Court and is of far reaching importance. This Court has often held that such words used in a claim mean, *substantially as specified with regard to the combination described in the claim*, and that, by those words, a claim is not limited to the specific combination and construction shown in the drawings. This rule, announced by this Court and followed by the Circuit Courts and several of the Circuit Courts of Appeals, has been acted upon by applicants for patents, who have almost universally used the words "substantially as described," or similar expressions at the end of their claims, without any knowledge that, by so doing, the claims were being limited to details of construction.

Such having been the practice, the rule of construction as announced by the Circuit Court of Appeals in this case, will necessarily render many patents almost worthless, by causing them to be so narrowly limited, that the real invention supposed to be secured by them will be thrown open to the public immediately and the meritorious inventor will be deprived of the reward which he should receive under the patent laws, and this, through no fault of his own, but by a change made by the Courts in the legal construction of words.

It is to obtain a reversal of the rule of law enunciated by the Circuit Court of Appeals in this case, that this Honorable Court is requested to cause the record in this suit to be certified by that Court.

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## THE INVENTION OF THE PATENT IN SUIT.

The invention of the patent in suit was made with reference to a garment hook, which is, broadly speaking, a very small contrivance, every feature of which, has, necessarily, a certain definite function. Such devices are made of a single piece of wire, but in such a manner as to be compact and rigid and one of the essential requirements is that they shall be as smooth as possible and have no projecting points or rough end. A rough or pointed end of wire would be fatal to the success of such a hook, which is used, for the most part, in ladies dresses, the velvet, lace or delicate embroidery of

which might readily be injured by being caught in devices constructed with any rough, projecting ends.

The hooks that were in general use, prior to the inventions of DeLong, were of the form known as the "swan bill", which was a plain wire hook with which an eye is adapted to engage. (Record, p. 87, Vol. 3). The manifest and frequently recognized objection to this hook was that there was nothing to prevent the eye from being accidently removed from it and many attempts were made to remedy this defect and produce an "automatic" hook,—automatic in its action in locking the eye in place, and automatic in its action in enabling the eye to be unlocked when the wearer desired to unlock it. (Record, p. 74, Appendix). Such attempts were uniformly unsuccessful and they made no impression upon the market. Not until DeLong, the patentee of the patent in suit, devised his hook was a successful and salable article of this kind produced. DeLong made such a hook by forming a hump or bend in one of the turns of wire of which the hook is composed, which is so placed that it offers a yielding frictional resistance to the entrance of the eye to the bill of the hook and to its removal therefrom, and at the same time the end of the wire is so disposed of that, when the hook is in use, there is no danger of its coming into contact with and catching in or abrading any delicate fabric on which the hook may be placed, (Record, p. 3, Vol. 2).

In order that an automatic hook may be safely and successfully used it must meet two requirements; first, the material of which the hook is made must be of such a character that whenever there is a bend made in the hook in the process of manufacture, that bend must have a permanent set; for instance, the hump must be so made that it cannot be permanently displaced by accident or by design; second, the projecting end of the wire must be prevented from abrading the fabric upon which the hook is placed. This latter requirement is one of the greatest importance, and it constitutes the principal problem that has been successfully solved by DeLong, and, in the attempt to solve which all prior inventors signally failed.

The "hump" itself was old, but the old devices could not be used without injuring the material upon which they were placed, because of the abrading action of the projecting end of the wire, (Record, P. 3, Vol. 2).

In the device of the patent in suit, DeLong disposes of the troublesome end of the wire, by carrying the wire, after it has been formed into a hump, towards the rear of the shank of the hook and laying it against the two wires of which the shank is composed, (Record, P. 4, Vol. 2).

In this structure an efficient locking device is afforded, and, at the same time, the end of the wire cannot project into and abrade the fabric.

Thus, in the patent in suit, the end of the wire is carried *toward the rear of the shank* where it can do no harm.

Prior to the date of the patent in suit DeLong had made two other inventions in this art, both of them designed to overcome the same difficulties as his device now in suit, but by different means.

In his first patent, No. 411,857, (Record, p. 112, Vol. 1) the projecting end of the wire of which the hump was formed was carried *forward and up into the bend of the hook*, where it could, by no chance, interfere with the operation of the hook, or injure the fabric.

This first patent was taken out by DeLong in the days of his ignorance in patent matters, and as he himself testifies, (Record, p. 112, Vol. 1) he thought that by that patent he had covered the broad invention of a commercial automatic hook, which hook he was the first to make; but he had not. It is probably true that he could not have covered that invention in any single patent. He soon found that other devices could be made that departed from the specific way of embodying his fundamental idea which way alone he had patented in his first patent, and he undertook to do what he had a right to do and what the patent laws encourage an inventor to do; that is, to protect himself in the use of alternative forms of structures that might be made to carry out his broad, and, broadly considered, perhaps unpatentable, idea by a patent on each and every practical structure he could devise.

DeLong had been the first to discover how to embody the old hump in a practical and commercial form, because he had appreciated what was wrong with the old hook and how the difficulty should be corrected. He was clearly justified in taking such steps as to prevent others, as far as possible, from trespassing upon his fundamental idea.

Acting in accordance with this view, DeLong took out two more patents, in the first of which—No. 462,472, (Record, p. 109, Vol. 1)—the wire from which the hump is to be formed is carried *into the bill of the hook* and there depressed to form the hump, and the end of wire is there bent towards the front of the bill. This formed an embodiment of the broad and fundamental idea of DeLong and constituted a method of carrying out his invention distinct from that patented in his first patent.

The third form devised by DeLong is that shown by the patent in suit, and in which the hump is formed in the shank and the end of the wire carried towards the rear of the shank. It is the combination of the specific elements of the first claim of this patent, that both the Circuit Court and the Circuit Court of Appeals have found that the defendant in this case is using.

Thus DeLong's three devices were:—

(1) An automatic hook in which the hump is in the shank of the hook and the end of wire carried *into the bend of the hook.*

(2) An automatic hook in which the hump is in the bill of the hook and the end of the wire bent *forward in the bill and into the hump.*

(3) An automatic hook in which the hump is in the shank of the hook and the end of the wire is carried back *towards the rear of the shank.*

DeLong, therefore, embodied in three different forms his radically new idea, the development of which changed automatic hooks from failures to practical commercial structures and took a patent on each. Others had long been striving to accomplish the same result, but had been unable to make such an article as the public wanted. His hooks have had a wonderful commercial success.

DeLong was a meritorious inventor, and his work should not be regarded as of little value, merely because it was directed toward an improvement in devices such as hooks and eyes, which, in some aspects seem to be of trifling importance.

The three forms of the structures devised by DeLong are distinct and radically different, as must be seen when they are carefully examined. His first two patents can have no bearing upon the novelty of the device of the third patent, which is for a structure differing essentially from any of those shown in the art prior to that time.

The first claim of the patent in suit is clearly for a device not shown nor described in DeLong's earlier patents. In neither of these was the free end of the wire returned to the rear of the shank, as is required by this claim.

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## THE PATENT IN SUIT AND ITS CONSTRUCTION BY THE CIRCUIT COURT OF APPEALS.

The claim of the patent here in suit, and which was held by the Circuit Court to be valid and infringed by the defendants, is as follows, (Record, P. 109, Vol. 1).

> "1. A garment hook consisting of a shank, a hook proper, and a tongue continuous of each other, said tongue being looped and normally closing the space between the shank and hook proper and having its free end returned to the rear of the shank, *substantially as described.*"

The second claim of the patent was not in issue, but it has an important bearing upon the controversy. It is as follows:—

> "2. A garment hook consisting of a shank with eyes, a hook proper, and a tongue continuous of each other, said tongue being looped and extending part way of the length of the shank, normally closing the space between said hook proper and shank, and having its free end returned to and terminating *in an eye at the rear of the* shank, substantially as described."

It will be seen that there are *three* elements in the first claim namely:—

(1) A shank,

(2) A hook proper, and

(3) A tongue being looped, and normally closing the space between the shank and hook proper and having its free end returned to the rear of the shank.

There are four elements in the second claim.

(1) A shank,

(2) A hook proper,

(3) A tongue, being looped and normally closing the space between the shank and hook proper, and having its free end returned to and terminating in

(4) An eye at the rear of the shank.

Thus, the first claim requires merely that the tongue shall have its free end returned to the rear of the shank, while the second claim contains the further requirement that the free end of the tongue, after being bent back, shall terminate in an eye.

The combination set forth in the first claim constitutes an article complete in itself and operative without the addition of any other element. The additional element of the second claim is not material in any way to the operative character of the article described in the first claim.

The Circuit Court of Appeals found, and it is an undisputed fact, that the defendants' hook, "is similar in construction to the complainants', except that the free end of the wire of which it is formed is cut off near the rear of the shank." (Record, p. 625, Vol. 3). That is, the defendants do not form the free end of the shank into an eye, as specified in the second claim, but return the free end to the rear of the shank and then cut it off. Thus, the defendants use not the combination of claim two of the patent in suit, but that of claim one, which squarely covers the defendants' hook.

But the Circuit Court of Appeals, after referring to the words "substantially as described" with which the first claim terminates, said:—

"The words referred to cannot, however, be omitted, they are part of the claim, *and control its construction. The hook*

*named therein is the one described in the specification and drawing; the claim expressly so declares.*

"The only hook, thus described, either in the specification or drawing is one with the free end of the wire carried 'to the rear end of the shank and there formed into an eye' giving to the hook three eyes by which to attach it instead of two as formerly."

The Court, in view of the adopted meaning of the words "substantially as described" read into the first claim the element of the eye, although such element is not necessary to the hook of the first claim, which is of itself complete and completely operative, although there are no words or expressions in the specification implying that the invention involved the eye as a necessary element, and although the eye in combination with the elements recited in the first claim, was specifically included as an element of the second claim.

It is clear from the inclusion of the element of the eye in the second claim, that it was not the intention of the applicant to incorporate that element into the first claim by the words "substantially as described." If that were done, the first and second claims would be co-extensive in scope. But the combination of the three elements of the first claim forms a completely operative structure without adding anything else to it, and it is evident that it was intended to cover a different structure from that described in the second claim.

The reading of another element into the claim, as was done by the Circuit Court of Appeals, was unwarranted, and the Court's construction of the force of the words, "substantially as described" was clearly contrary to the rules established by the decisions of this court.

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## MEANING OF THE WORDS "SUBSTANTIALLY AS DESCRIBED" AS CONSTRUED BY THIS COURT.

It is certainly unnecessary to do more at this time than to cite briefly the leading cases on this point.

In Winans v. Denmead, 15 How. 333, 342, the scope of a

claim terminating with the words "substantially as described" was under discussion. This Court said:—

> "It is generally true when a patentee describes a machine, and then claims it *as described*, that he is understood to intend to claim, and does by law actually cover, not only the precise forms he has described, but all other forms that embody his invention."

In *Lake Shore & Michigan Southern Railway Co.* vs. *Car Brake Shoe Co.*, 110 U. S. 229, 235, this Court said:—

> "The view urged on the part of the defendant is, that the combination of the shoe, the sole, the clevis, and the bolt cannot, as a whole, be 'constructed and arranged substantially as specified', if the whole is not so constructed and arranged as to admit of the lateral rocking motion, and that there is no suggestion in the specification of any construction or arrangement in which the sole has not a lateral rocking motion on the shoe * * * That combination as a whole, is constructed and arranged substantially as specified, even when there is no lateral rocking motion to the sole. The words '*substantially as specified*' *mean* '*substantially as specified in regard to the combination which is the subject of the claim.*'"

In *Day* vs. *Fair Haven Railway*, 132 U. S. 98, 102, it was urged that a certain element should be read into the claims because otherwise the combination would be inoperative "for the purpose set forth", as specified in the claim. But this Court refused to import the element into the claim, and held that there was no patentable novelty in the combination claimed.

See also,

*Wollensack* vs. *Sargent*, 151 U. S. 221, 226.
*McCarty* vs. *Lehigh Valley R. R. Co.*, 160 U. S. 110, 116.

This rule of law as laid down by the Supreme Court in *Lake Shore & Michigan Southern Railway Co.* vs. *Car Brake Shoe Co.*, *supra*, has been followed in numerous decisions of the Circuit Courts of Appeals and the Circuit Courts. Among such decisions are:—

*Reece Button Hole Machine Co.* vs. *Globe Button Hole Machine Co.*, 61 Fed. Rep. 958, 971, Circuit Court of Appeals for the First Circuit.

*Trout & Hine Mfg. Co.* vs. *Waterbury Buckle Co.*, 62 Fed. Rep. 492, 494.

*Westinghouse Air Brake Co.* vs. *New York Air Brake Co.* 59 Fed. Rep. 581, 595, 596.

*Lorillard & Co.* vs. *McDowell & Co.*, 2 B. & A. 531.

The application, to the present case, of the rule contained in the preceding authorities, would have made the incorporation of an unspecified element into the combination described in claim one of the patent in suit, not only unnecessary, but improper.

The decision in the Circuit Court of Appeals for the Third Circuit in the present case, is manifestly not in accordance with the rule laid down in the foregoing cases, and it is of the utmost importance, both to patentees and to the public in general, that the ruling of the Circuit Court of Appeals should be revised and corrected.

It is, of course, immaterial, so far as the power of this court to issue a writ of *certiorari* is concerned, that the mandate of the Circuit Court of Appeals has been filed in the Circuit Court or that a decree has been issued in accordance with that mandate. In *American Construction Company* vs. *Jacksonville Railway*, 148 U. S. 372, 377, the mandate had been filed in the Circuit Court, and this Court, when giving leave to file the petitions for writs of *certiorari*, stayed proceedings under the mandates. The transcript of the record remains in the Circuit Court of Appeals, even though the mandate has been sent down, and the record may be certified to this Court. See *Ritter* vs. *Mutual Life Insurance Co. of New York*, 72 Fed. Rep. 567, Circuit Court of Appeals for the Third Circuit.

It is respectfully submitted that the writ of *certiorari* should be issued in this case as prayed for.

FREDERICK P. FISH,
WILLIAM C. STRAWBRIDGE,
JOHN G. JOHNSON.

Office Supreme Court, U. S.
FILED
JAN 22 1897
JAMES H. MCKENNEY,
CLERK.

IN THE

# Supreme Court of the United States.

**No. 683 OCTOBER TERM, 1896.**

WM. CAMPBELL and J. J. SMITH,
Appellants,
vs.
THOS. De Q. RICHARDSON, FRANK E. De LONG and CHARLES F. De LONG, Appellees.

On Petition for Writ of Certiorari.

## BRIEF for CAMPBELL & SMITH contra the Petition

WM. L. PIERCE,
ALLEN WEBSTER,
*of Counsel for Campbell & Smith.*

SMITH BROS. FRANKLIN PRINT, 405 GRANT STREET, PITTSBURGH, PA.

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# Supreme Court of the United States.

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## BRIEF IN BEHALF OF CAMPBELL AND SMITH IN OPPOSITION TO THE PETITION.

### Counter Statement of the Case.

The petitioner's statement of facts is so fragmentary and argumentative that a brief, general counter statement is necessary.

It does not fully state the grounds upon which the Court of Appeals reversed the Circuit Court, nor does it clearly show that the patent in suit was the latest of several for accomplishing the same results. It picks out as offensive a certain independent reason assigned by the Court of Appeals for limiting the claim, but ignores the fact that upon other grounds the decision should be affirmed, even if the reason were erroneous, which we deny.

This case was argued in the Circuit Court before Judges Acheson and Buffington, but the opinion was handed down by Judge Acheson *without* the concurrence of Judge Buffington.

The petitioners' brief virtually states that the reversal in the Court of Appeals was due to the effect given to the words "substantially as described." This is not correct. The opinion expressly states in its leading paragraphs and as the backbone of the decision, that the invention was preceded by two other patents to the same patentee, which are "undistinguishable from his third patent," except in the feature of the third eye. The Court continues that if the LANGUAGE OF THE CLAIM BE TAKEN LITERALLY AND NOT LIMITED BY ITS CLOSING PHRASE, THE CLAIM WOULD BE MET BY THE TWO PRIOR PATENTS AND BE VOID.

*After* this express finding, which alone was sufficient to decide the case in favor or the defendants, the court advances an entirely independent and collateral reason for putting a limited construction upon the claim. This reason is the presence of the words "substantially as described" at the conclusion of the claim, taken in connection with the fact that one solitary type of invention is described in the specification and that only with limitations.

The Court nowhere says that the words 'substantially as described,' would in *every* case limit a claim to a single form of the invention, but that in this case they do because of the peculiar and restricted language of the specification which emphasizes and describes only one special type and precludes the notion of any other being intended.

The Court merely finds that where the invention is specific that the words "substantially as described" must be interpreted specifically. If the patentee had hinted at an equivalent or modification and had not laid the entire stress of novelty upon the feature of a third eye, doubtless the

Court would have construed the claim more broadly if the prior state of the act permitted, which it did not.

This case is a precedent only for like cases, viz: where, in order to sustain the patent at all it is necessary to restrict the claim to the precise design illustrated and described, particularly when emphasis is laid upon the advantages of that peculiar form and to omit that feature would omit all the merits claimed in the patent.

*The petitioner's brief naturally enough fails to emphasize the fact that not one of the hooks of the patent has ever been sold, and only three made and these by hand.*

The only hook of De Long's which has met commercial success or even been put upon the market is the hook of patent 411,857, dated Oct. 1st, 1889, two years before the present patent. For some collateral purpose the *complainants* have loaded their record with proof from many witnesses that the hooks of 411,857 have had a phenomenal commercial success.

As this patent (411,857) is not mentioned in the bill, and is also clearly limiting if not anticipatory of the patent here sued upon, we fail to see what benefit complainants can derive from such testimony.

Their argument apparently is that De Long in 1889 made a meritorious invention, and therefore, the Court should regard with favor his subsequent efforts, and give to the 1891 patent a liberal and benign interpretation.

The Court of Appeals on the contrary held in effect, as might have been anticipated, that the 1889 patent exhausted all that was broadly patentable in this narrow art, and that his subsequent patents must be narrowly construed to be sustained at all.

The statements on the first half of page 10 of petitioners' brief certainly convey, on first reading, even to one familiar with the case, an erroneous impression.

One would infer that prior to the patent in suit the only hook on the market was the old swan bill.

On the contrary, it appears by the repeated depositions of complainants' witnesses that the hook of patent 411,857 of 1889 was meeting with astounding success and met every want of the trade. The hook of 1889 is the hook which has been so widely advertised and which met the alleged defects in other prior hooks.

The petitioners claim that the old hooks had sharp ends which tore delicate fabrics and that the end of the hump wire was left so unguarded that the eye could get entangled beneath the same and prevent the wearer from unclasping the hook.

Whether this is so or not is immaterial in view of the fact that these alleged disadvantages were completely met by De Long's first hook, viz., 411,857, in 1889.

The attempt is covertly made throughout De Long's testimony to treat the three hooks as CONTEMPORANEOUS but their chronological order is plainly, 411,857 in 1889, then 462,472 in 1891, and 462,473 in the same year, but being later in application and later in number, subsequent to 462,472.

## II.

## Classes of Cases in Which a Certiorari Will Issue.

THIS COURT HAS UNIFORMLY RULED THAT ONLY CASES OF PECULIAR GRAVITY AND IMPORTANCE SHOULD BE THE SUBJECT OF *CERTIORARI.*

*Ex parte Lau Ow. Bew*, 141 U. S., 583.

*Re Woods*, 143 U. S., 202.

*Am. Cons. Co. vs. Jacksonville R. Co.*, 148 U. S., 382.

This case, on the contrary, so far as the invention and the issue are concerned, is exceptionally petty and trivial so far as the public are affected. A great mass of testimony has been introduced to prove that one Cornelius J. Brosnan was the inventor of defendants' hook prior to the invention by De Long of the invention of the patent in suit. In support of this contention some eighteen witnesses were called by the defendants, most of whom were examined and cross-examined at great length. It is true that the Court of Appeals found it unnecessary to pass upon the same, but *it is a live issue in the case* and would require argument at length in this court if the *certiorari* were granted.

Its decision, however, involves no fundamental principles of law or evidence and would furnish no illumination for future cases. There is certainly nothing in this aspect of the case which would justify the issue of the writ. The other portion of the case relates to the proper interpretation of the first claim in view of the prior state of the art and the express limitations of the description and claim.

We have attempted already to show that no broad principles of interpretation are enunciated in the opinion, but only a fitting of the law to the peculiar facts of the case.

In any view, although the case is undoubtedly important to both parties, in a monetary aspect, we fail to find any legal magnitude in the issues calling for this extraor-

dinary writ. It simply means a review of a large number of prior patents, examination of filewrappers and passing upon the testimony of nearly a score of witnesses.

## III.

## Petition is Filed to Late.

IT APPEARS FROM THE RECORD AND THE CERTIFICATE OF THE CLERK OF THE CIRCUIT COURT THAT THE OPINION OF THE CIRCUIT COURT OF APPEALS WAS RENDERED OCT. 17, 1896, THE MANDATE WAS FILED IN THE CIRCUIT COURT ON THE 21st DAY OF NOVEMBER, 1896, AND THE FINAL DECREE DISMISSING THE BILL WITH COSTS ENTERED IN SAID CIRCUIT COURT ON DECEMBER 10, 1896.

The petition for a *certiorari* was not filed in this court until Jan. 11th, 1897, or a month after the Circuit Court had entered its *final decree.*

The petition asks this court to reverse the Court of Appeals after that Court had parted with its jurisdiction of the case and after the Circuit Court had regained its jurisdiction and had ended the controversy by the entrance of a final decree.

THE PETITION SHOULD HAVE BEEN FILED BEFORE THE RIGHTS OF THE PARTIES HAD CRYSTALLIZED INTO A FINAL DECREE.

If it be otherwise, there is then *no limit* to the time within which a defeated party may bring his petition for writ of *certiorari.* Notwithstanding the fact that a final decree has been entered and the parties have acted in pursuance of such decree and the rights of the parties and of the public are supposed to have been judicially determined and settled, and all parties have proceeded and acted un-

der and in accordance with such decree, and the defeated party has remained idle and permitted the litigation to reach that final stage, he may at some remote period conclude that he has hopes of success before the Supreme Court, and therefore file his petition.

In the present case the trade throughout the country had been waiting for the determination of the questions involved, and, after the entry of a final decree were advised that a final decree had been entered in pursuance of the mandate of the Court of Appeals in which it was judicially determined that the hook complained of did *not* infringe the patent in suit. and after receiving such notice, and in pursuance of such information, dealers throughout the country have largely purchased, dealt in and sold the hook against which the suit was brought, and they being innocent parties acting in pursuance of said final decree, will, if this petition be granted, and if upon a final hearing this Court should reverse the Court of Appeals, be placed in the position of infringers notwithstanding the fact that they acted and relied upon the final decree of the Court having jurisdiction of the cause. (Defendants Exhibit Affidavit of Treasurer of Golden Spring and Hook or Eye Co.)

If a party may, after such final decree be allowed to bring his cause to the Supreme Court for final adjudication, then the rights of litigants remain undetermined and in an unsettled condition and the rights of innocent parties materially and injuriously affected because of the danger that at any time a defeated party may come to this Court on his petition for *certiorari.*

There is no provision in the act of 1891 authorizing this Court to review a case after final decree in the Circuit Court, even if it had been formerly adjudicated in the Circuit Court of Appeals, but which latter Court had remanded the cause to the Court below.

In the case of the *American Construction Co. vs. Jacksonville, T. & K. W. R. Co.*, 148 U. S., 377, relied upon by the petitioners, only several interlocutory orders had been made and the case was still alive. The question whether this Court had jurisdiction over a cause remanded to the Circuit Court, does not seem to have been raised. It is worthy of note also that no application has been made in the present case to stay the mandate, or recall the same.

The Construction Company's case in 148 U. S. was not a case in which the rights under a patent were involved, neither was it a case in which the public were liable to be injured or injuriously affected by the decree, but the receiver, whoever he might be, was an officer of the court, and any obligation entered into by him would be as an officer of the court and the court would protect all innocent parties. The report of that case does not show that a final decree had been entered, so that the whole matter was at the time of the petition in the hands of the court, while in the case at bar the final decree has been entered and hundreds of innocent parties have relied upon the decree as final and have acted in accordance with that reliance.

In the case of *Ritter vs. Mutual Life Ins. Co.*, of New York, 72 Fed. Rep. 567, cited on page 17 of petitioner's brief, it does not appear what time elapsed after the sending down of the mandate before the petition for recall was made, it does not appear that a final decree had been entered, but it affirmatively appears that "since said judgment was rendered no change in the relations, situation or condition of either of the parties has been made or occurred, but they are now precisely as at the time said judgment was rendered."

## IV.

### Estoppel by Reason of the New Jersey Suit.

The petitioners are estopped from invoking the aid of this court to set aside or review the decree of the Circuit Court of Appeals for the following reasons:

Campbell & Smith were nominal defendants and the real defendant was the Golden Spring Hook & Eye Company, which company assumed the defense and bore all the expense of the same.

(Record Vol. IV, p. 107, Murray Affidavit and Respondent's Exhibit Certified Copy of Bill, pages 55, 56 and 57 of this Brief.)

The petitioners relying upon that fact brought their bill of complaint against the Golden Spring Hook & Eye Co., in the District of New Jersey, said bill being filed December 11, 1896, and in said bill of complaint these petitioners allege that the Golden Spring Hook & Eye Co. were the real defendants in said action entitled against Campbell & Smith, and that in the decision rendered by the Court of Appeals in the case against Campbell & Smith it was judicially found and determined that the defendants' hook was "in all respects like the hook of DeLong's first patent," to-wit, Patent No. 411,857, and that the Golden Spring Hook & Eye Co. were *estopped* to deny that it was bound by said decree of the Court of Appeals. (See certified copy of bill, page 6, last paragraph, and page 7). And inasmuch as these petitioners have made their election, and prior to the bringing of this petition have in said cause sought to invoke and have relied upon the decision of the Circuit Court of Appeals, they ought not now to be allowed to come to this court and attempt to overthrow the decision which they rely upon to sustain their bill in the District of New Jersey. (These respondents, however, have ever denied that said decree was open to the construction claimed by these petitioners).

In *Railway Co. vs. McCarthy*, 96 U. S. 267, Mr. Justice Swayne, in speaking of an attempt of the Railway Co., on the hearing in the Supreme Court to excuse itself for the non-performance of a contract to carry certain cattle on the ground that the act would have been a violation of the Sunday law of West Virginia, when it appeared that on the trial in the Court below it had relied on the fact that it was impossible to forward the cattle on Sunday for the want of cars, said:

> "This point was an afterthought, suggested by the pressure and exigencies of the case. Where a party gives a reason for his conduct, or decision touching anything involved in a controversy, he cannot, after litigation has begun, change his ground, and put his conduct upon another and different consideration. He is not permitted thus to mend his hold. He is *estopped* from so doing by a settled principle of law."

"A party who takes a position in the course of litigation is *estopped* to act inconsistently therewith, so long as the same is unretracted, and this includes the case of one who, having taken a judgment of this Court against himself to the Supreme Court on a writ of error, attempts, while said proceedings is still pending, to plead said judgment in bar of an action against himself by the plaintiff therein." (*Hughes vs. Dundee Mortgage & Trust Investment Co.*, 28 F. R. 40).

The position of the parties here is the same although in reverse order to the cases cited. These petitioners seek to take advantage of the same decree of the Circuit Court of Appeals to enable them to maintain an action against the real defendants herein, said decree being the substantial ground relied upon to warrant said action and while proceedings are pending to enable these petitioners to take advantage of said decree they bring this petition for the purpose of setting aside the decree upon which they rely in the other action, and as they first made their election to rely upon said decree they are now estopped to invoke the aid of this Court to reverse said decree.

## V.

## "Substantially as Described."

It is urged that the Circuit Court of Appeals has put an interpretation upon the words "Substantially as Described" which is at variance with the decisions of this Court.

We have attempted to show that the discussion of this phrase was but incidental and superfluous, the Court of Appeals had already said that the first claim must be limited to the precise device shown and described or otherwise it would be void, and as an independent reason for putting a limited construction upon said claim, referred to its concluding clause.

The petitioners rely *inter alia* upon *Winans vs. Denmead* 15 *How.* 342.

This involved a pioneer patent for car-building. There were four dissents in this case and it may well be questioned whether the case is controlling at the present day,

The defendants' device was a clear mechanical equivalent for the plaintiff's conical car body and accomplished exactly the same result,

The defendants' hook does not accomplish the purpose of the De Long "hump" wire which is secured to the fabric, for it does not increase the resiliency of the "hump" nor tend to maintain it in its normal position between the side bars.

The case of the *L. S. & M. S. R. Co. vs. Car Brake Shoe Co.*, 110 *U. S.* 229 related to a patent in which there were *two* distinct features of invention and these two were categorically set out in the preamble of the specifications as follows:

"Firstly. In constructing the shoe of two parts in the peculiar manner described hereafter, so that the part in contact with the wheel can accommodate itself to the same.

"Secondly. In the peculiar combination, described hereafter, of the two parts of the shoe, the clevis by which

the shoe is suspended to the truck and the bolt which secures the clevis to the shoe and the two parts of the shoe to each other."

There were two claims in the patent, one for the first part of the invention, and the other for the second part of the invention.

The second claim terminated "substantially as specified" and the defendants, under this clause endeavored to restrict the claim to the construction covered by the first claim where there was a rocking motion of the sole on the shoe.

This Court, however, said that the patentee had expressly stated in the body of his specification that he had invented two things and that one was covered by the first claim, and the other by the second claim, and that there was no propriety in imposing the limitation of the first invention upon the second.

De Long, in his patent, however, treats the invention as a unit and each part as essential. There is no statement of a dual or segregated invention and no hint of an omission. Having described only one indivisible invention he cannot expect that "substantially as described" would impart the same breadth to his claim as in a specification where *two* forms of invention are clearly stated.

"The words "'substantially as specified'" the Court say "'mean substantially as specified in regard to the combination which is the subject of the claim.'"

This interpretation can be placed upon the words "substantially as described" in De Long's patent and yet the defendants be guiltless of infringement, for this would still compel a return to the specifications to ascertain the nature of the "looped tongue," and we would discover that such tongue must be anchored to the fabric in some way at the rear of the extreme end of the shank to increase the re-

siliency of the jaw and hold the same more firmly in its normal position. It cannot mean, in any event, a *floating* jaw or one free at the eye end, for its resilience would then be diminished and it could be readily pushed out of place.

In *Day vs. Fairhaven R. R.*, 132 U. S., 98-102, the only claim at issue was claim 4 and the Court, speaking by the Chief Justice, says, "the claim is so broad that we are not justified in importing into it an element which would operate to so enlarge its scope as to cover an invention in no manner indicated upon its face."

In the case of *Sargent vs. Burgess*, 129 U. S. 19, the patent described a washboard having a spring actuated protector to keep the water from splashing upon the washerwoman.

This same protector was also adopted to be "knocked down" or folded flat for shipment and it would then lie between the side pieces of the washboard frame.

The first two claims of the patent were limited in terms to a yielding or spring actuated protector, but the third claim was for the feature of folding down the protector flat between the side pieces for shipment.

It will be noted that the knock down feature was entirely independent of the spring actuated feature. Yet this Court held that the spring actuated feature must be incorporated into that claim, saying, "The description and drawings of the Gorham protector are limited to such a construction and do not show or indicate any other."

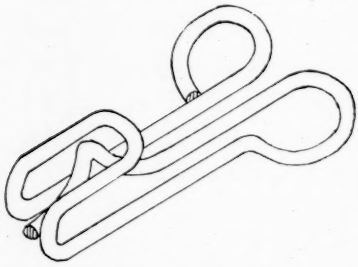
"Again it is said claim 3 of the Gorham patent requires that the protector shall 'be constructed to fold down' substantially as 'shown.' The defendant's protector is not constructed to fold down in the manner of the Gorham protector, and is not constructed *substantially as shown in the Gorham specification.*"

Finally, the true ground of distinction seems to be that when there is a broad, basic invention, comprehensively described, the words "substantially as described" will be co-extensive in scope, and cover other forms than those specifically mentioned in this specification.

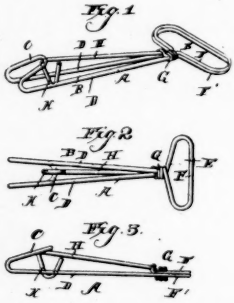
On the contrary, when the invention is a late arrival in the art and differs in hardly more than formal particulars from its predecessors and the description is emphatic in recognizing only some one peculiarity as important, the words "substantially as described" will necessarily include such peculiarity.

# ILLUSTRATIONS

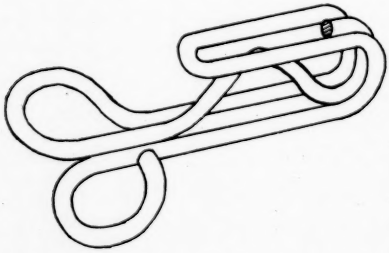
## OF A PART OF THE HOOK CONSTRUCTION SET UP IN DEFENSE.



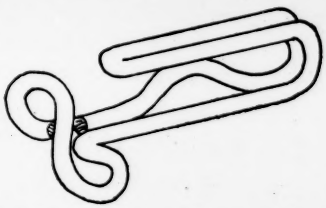
RODGERS, 1839.



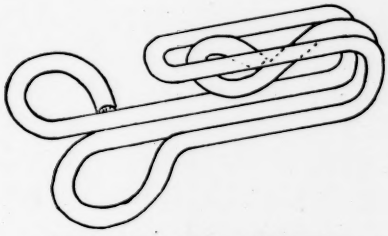

RILEY, 1889, 408,813.



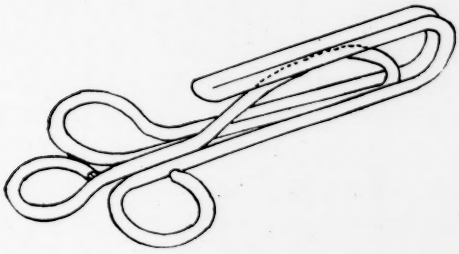
DE LONG, 1889, 411,857.



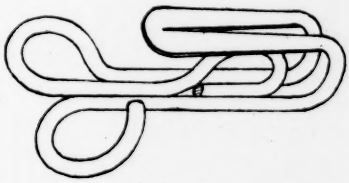
WHITING, JULY 28, 1891. FILED MARCH 13, 1891, 456,786



DE LONG, 1891, 462,472.



DE LONG, 1891. PATENT IN SUIT 462,473.

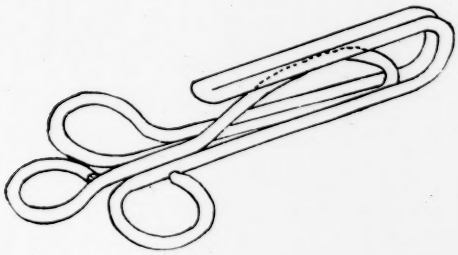


HOOK ALLEGED TO INFRINGE.

## The Invention In Dispute.

What did DeLong invent;—that is, when he made the invention of the patent in suit? And the date of the invention is not carried back of the filing date April 2, 1891.

CUT OF HOOK OF PATENT IN SUIT, No. 462,473.



This question being answered, the remaining questions will be easily disposed of. Obviously, his patent cannot be broader than his invention.

1. He did not invent the hook. The origin of that goes back into a remote antiquity.

2. He did not invent the "hump." It is admitted that this was old—in fact, that it is fully described and shown in the Rogers English Patent of 1839. Cuts of which follow Fig. 26 being a photographic reproduction from the patent.

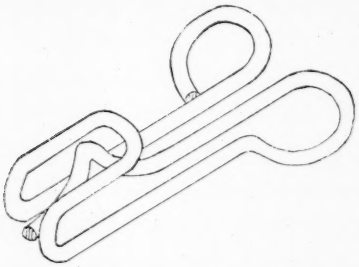


FIG. 26.

3. The claim here in suit—claim 1 of Patent 462,473—reads as follows, and we italicize so much of it as is conceded to be old:

"1. *A garment-hook consisting of a shank, a hook proper, and a tongue continuous of each other, said tongue being looped and normally closing the space between the shank and hook proper*, and having its free end returned to the rear of the shank, *substantially as described.*

That all italicised matter as above is old is not only practically admitted throughout the whole record, but abundantly appears from a very few of the numerous exhibits.

(1.) Rodgers English Patent of 1839. *Defendants' Exhibits*, pp. 52–58. (Appendix.)

(2.) The U. S. Atwood Patent, No. 8,198, of July 1st, 1851. *Defendants' Exhibits*, pp. 63–98. (Appendix.)

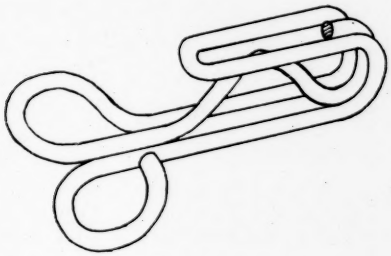
(3.) The Reinhold German Patent, No. 9,283, of July 24th, 1879. *Defendants' Exhibits*, pp. 59–62. (Appendix.)

(4.) The U. S. Killinger Patent, No. 445,895, of Feb. 3d, 1891. *Defendants' Exhibits*, pp. 72 *a*, *b*, *c*. (Appendix.)

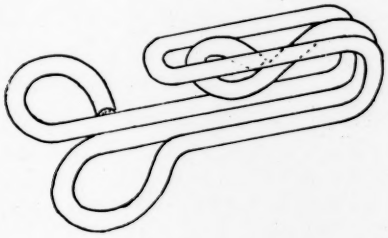
But really it is not necessary to refer to these patents at all. De Long's own patents of prior date are amply sufficient for our present purpose—that is, to show that at the date of the patent in suit the *italicised portion* of the clain as above was old.

These patents, or at least two of them, are:

(5.) No. 411,857, dated Oct. 1st, 1889. *Complainants' Book of Exhibits*, third patent in order; said hook being shown in the following cut.



(6.) No. 462,472, dated November 3d, 1891. *Complainants' Exhibits*, second patent in order, of which hook the following is a cut:



These two patents, and more particularly the first of the two, No. 411,857, constitutes as much a part of the prior state of the art as if it had been granted to somebody else.

*James vs. Campbell*, 104 U. S. 356,382.

*Underwood vs. Gerber*, 149 U. S. 224.

In the former of these cases it is said (p. 382):

> "It is hardly necessary to remark that the patentee would not include in a subsequent patent any invention embraced or described in a prior one granted to himself any more than he could an invention embraced or described in a prior patent granted to a third person."

The other case cited is thus abstracted by the late Mr. Justice Jackson in *Miller vs. Eagle Co.*, 151 U. S. 198.

> "In *Underwood vs. Gerber*, 149 U S. 224, it was ruled that where a patentee obtained two patents on the same day, upon applications filed on the same day, they could not be treated as one patent with two claims, and that the complainant in suing upon the second, or the one having the latest number could not use the first, or the one with the earlier number, to help sustain the action."

Now if the *italicised portion* of the claim here in suit, as printed *supra*, be read in connection with the drawing and description of *each one* of the five patents above cited from the prior art, it will appear, conclusively and beyond all possible dispnte, that *the invention of this patent*—if there be any invention in it—*is not to be found in the portion of* the claim so italicised. That part of the claim is old, beyond all controversy. The invention, if any, must be looked for in the remaining words of the claim, which read as fol: lows;

(Said tongue] "having its free end returned to the rear of the shank."

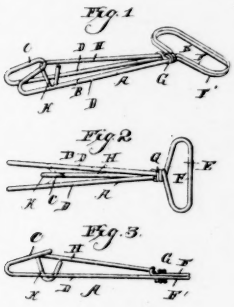
In other words, the "free end" of the wire, after forming the jaw, or tongue, or "hump" is to be "returned" or brought back to "the rear of the shank."

The *purpose* of this return,—that is, *why* the "free end" of the wire is thus brought back,—is not stated in the claim. And this is *a matter of vital importance* to this claim. For if we are to get any element of patentable invention out of this return or bringing back of the "free end" of the wire, *we can only do so by virtue of the fact that such a return introduces some new function or operation into the structure.*

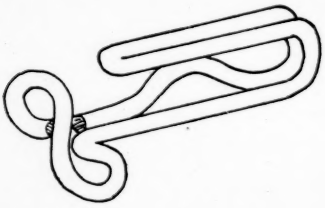
Is there any such new function, and if so, what is it?

Referring to the patent, it will be seen that the "free end" of this return wire, goes downwardly by a slight incline, and at a point a little forward of the eyes 4, it passes between the side wires 1, and then is carried backwardly between the eyes 4, and in the horizontal plane of the eyes, until having passed beyond the eyes 4, an eye 8 is formed on such "free end."

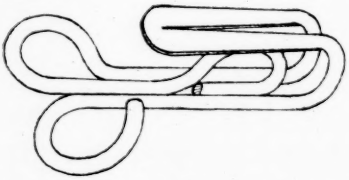
There was also before the court the patent to Riley of 1889, the following being a copy of the drawings:




And the patent to Whiting, No. 456,786, July 28, 1891, filed March 13, 1891, of which the following is an illustration.



**The hook alleged to infringe is shown in the following cut.**



**This eye 8 is the only device of this patent as to which there is even a hint of invention.**

If we turn to the specification, we will find *all the rest* of the device described in twelve lines, and one word in the thirteeth line, (lines 24-46),

The remainder of the description, lines 36 to 55, is devoted to the eye 8 and its functions. If there is any invenion at all to be found in this patent, it must be sought for, in those nineteen lines. It is not to be found in the preceding twelve.

Commencing with line 36, we are told how the eye 8 is made, also its position, that it is "adjacent to the eyes 4 and disconnected therefrom." Its relation to the jaw (or hump) is next in order, since, as stated, "the jaw [hump] is elastic in its nature", etc. This is fully explained, and then with line 47, we come to a clear and explicit statement of what the invention here in question is designed to do or produce. We quote the exact language of the patent, but the italics are our own.

"The eye *formed on the end* of the jaw"—

That is *the combination* of eye 8 and jaw or hump 7.—

"Is secured in a manner similar to eye 4, 4, so that",—

And we now come to the functions of the combination,—and the first function is, in the words of the patent, (line 49):

"*The resiliency of the jaw is increased*"

That is by having an eye 8 on its end, which being sewed to the cloth, gives a mechanical support to the jaw or hump *at that end.*

And the other function of the eye 8 is thus expressed, (line 50):

"And the jaw more firmly sustained in its normal position".

That is the eye 8, not only increases the resiliency of the jaw or hump 7, but also sustains it "more firmly in its normal position".

In addition to these two functions due to the combination of eye 8 and jaw or hump 7, the patent also describes the third and fourth functions as belonging to the eye 8.

The third involves its relation to the eyes 4. Thus it says (ls. 49.50):

"The eyes 4 and 8 provide means for connecting the hook with the garment," etc.

And the fourth function is thus stated, (ls. 53-55):

"Said eye 8 also preventing the jaws from presenting an exposed edge."

This last function or result is obviously due to the rounded form of the eye.

Such is the invention of this patent in the words of the inventor himself. In our abstract, we have omitted nothing, nor have we mis-stated anything.

What then?

**The eye 8 or its mechanical equivalent, is absolutely essential to the performance of each and every of the four functions which are described as characterizing the present invention. Omit or cut off the eye 8, and every useful function or result which, according to the patent, belongs to the present invention, will disappear at once, wholly and absolutely.**

The jaw or hump will then have nothing to increase its "resiliency," which is the *first* function.

The jaw or hump will not then be "more firmly sustained in its normal position," which is the *second* function.

Aside from the eyes 4, there will then be no "means for connecting the hook with the garment," the *third* function.

And there will be nothing to "prevent the jaws from presenting an exposed edge," the *fourth* function.

If the petitioner's theory be correct that the first claim does not necessarily include the third eye, then as the only advantage set forth in the specificification, and, indeed, the only advantage possible to be attained over prior structures was *increased resilience* of the hump tongue, and as this can only be accomplished by the employment of *two wires* instead of one, and in order to render the device operative to increase the resiliency it is *absolutely necessary* that the free end of the tongue wire should extend past the attaching eyes, so that the free end of the tongue wire may be fastened to the fabric, thus allowing it to operate *to aid the* other tongue wire in returning the hump to its normal position.

If not thus limited then the claim must be void, as the prior structures contain every element in the claim. For illustration, the Riley hook of 1889 consists "of a shank, a

hook proper and a tongue continuous of each other, said tongue being looped and normally closing the space between the shank and hook proper and having its free end returned."

The DeLong patent, also No. 462,472, prior in number to the patent in suit, also contains every element of the claim above quoted.

The DeLong patent of 1889 shows also a construction containing every element of the claim if thus construed.

And the same may be said of the Whiting structure No. 456,786.

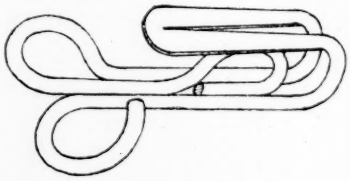
So that without the limitation of the free end of the tongue extending *rearward to the extreme rear so that it may be fastened to the fabric and operated as a lever to aid in return of the hump to its normal position, the claim is clearly void*, but with this absolutely necessary limitation the hook complained of *does not fall within the terms of the claim.*

If the question be asked how the free end of the tongue wire so extended could be fastened to the fabric to enable it to operate as a lever to aid in the return of the hump to its normal position, we say that if the threads by which the hook is secured to the fabric are passed from eye to eye over the end of the tongue wire they will serve to hold the free end of the tongue wire against the fabric and thus cause it to act as a lever, or independent stitches may be passed over and over the free end of the tongue wire beyond the attaching eyes 4, and thus secure the free end of the tongue wire in position so that it will act as a lever as contemplated in the patent.

It *must be apparent* that the securing of the free end of the tongue wire to the fabric at any point other than at the *extreme end* of the rear of the hook, i. e., at or beyond the attaching eyes, would operate to *prevent* the return of the tongue wire to its normal position so that *in order to attain the increased resiliency it becomes absolutely necessary*

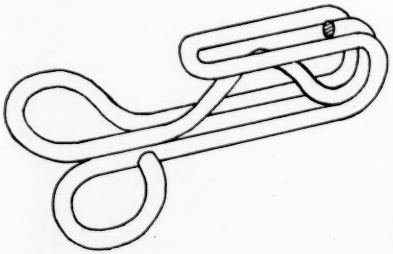
*that the free end of* the tongue wire be extended to the *extreme rear end of the hook* and there secured to the fabric.

The hook complained of, (illustrated below,) contains no such construction.



**The Invention--What Is It?**

With this discussion the present De Long invention becomes perfectly clear. Two years or more prior to this (Oct. 1st, 1889, Patent No. 411,857,) De Long had patented a "hump" hook in which the free end of the wire after leaving the hump passed down between the side wires, and terminated in a loop or eye at the bend of the hook, as shown in Patent 411,857, Fig. 1.



Apparently, the hump, jaw or tonge—by whatever name known—yielded *too readily in hooking and unhooking.* For some reason er other, which the record does not disclose, it was thought that the hump of Patent 411,857 *did not* have the requisite resilience and firmness. (This probably grew out of an attempt to make it out of cheap wire.) The end of the wire was *free*—that is, not fastened —and the hump was not "firmly sustained," etc. These, and

possibly still other difficulties, real or imaginary, De Long then thought he could overcome by the present invention. To this end, he extended the "free end" back to the *end* of the shank, and *fastened or anchored it to the garment by means of the eye 8.*

*This* was his invention—if he made any at all—*anchoring the free end of the hump-wire to the cloth of the garment* at a point where it would operate as a lever. and this he accomplished by bringing the wire back as close as possible to the usual eyes 4, and then bending on its "free end" the eye 8, so as to anchor it.

And by thus anchoring the "free end" of the wire, he secured each and all of the four functions enumerated in his patent:

(1) He increased "*the resiliency*" of the hump or jaw.

(2) He sustained the jaw or hump "*more firmly in its normal position.*"

And incidentally thereto:

(3) He got an additional fastening of the hook to the cloth; and

(4) Got a rounded wire terminal or end, so as not to abraid the cloth.

## Construction of Claim 1, it being the only Claim alleged to be Infringed.

It will be noticed that in claims 2 and 3 of the patent in suit, an eye, as at 8, on the free end of the hump-wire is specifically named as an element of each claim. And as the eye 8 is not even mentioned in claim 1, complainants, therefore contend,

*First*, That such an eye is not essential to the combination of that claim, and

*Second*, That *any* return of the free end of the hump-wire to *any part* of the shank, involves an infringement of that claim.

The first of these two propositions may or may not be true. As we understand the law, it is clearly erroneous, but for the present we do not care to discuss it. But the *second* propoposition is a *non sequitur*, and its fallacy can readily be made clear.

While an eye 8 may or may not, *per se*, be essential to the invention of this first claim—and this, as already stated, is a matter we do not care just now to discuss—we have no hesitation in saying, as an indisputable conclusion of law, that:

**Either the eye 8 must be there, or else some device must take its place which will perform all the important and characteristic functions which the inventor and patentee has assigned to the eye 8, in and by the terms of his specification.**

Otherwise, the invention of claim 1 will be absent. And this is allowing the patentee the fullest possible benefit of the doctrine of mechanical equivalents.

Or, to state it another way: Some means of anchoring the free end of the wire to the cloth is absolutely essential to the DeLong invention, as he described it in the patent

in suit—and if essential *to the invention*, then by operation of law, essential *to the claim*—for a claim can never be broader than the invention. If it is, it is void.

If the eye 8 can be omitted, there must be substituted some mechanical equivalent by which to anchor or secure the free end of the hump wire to the cloth, in such way as to accomplish at least the two chief characteristic functions specified in the patent, that is to say:

(1.) something whereby "the resiliency of the jaw [or hump] is increased"; and

(2.) Something whereby "the jaw is more firmly sustained in its normal position".

These are the two functions which peculiarly belong to and especially characterize *the combination* of claim 1. We doubt if the other two functions can be wholly disregarded as being merely incidental and unimportant; but *these two certainly cannot*. A structure which does not include these two functions last above recited, clearly does not embody the invention here in dispute.

This construction or understanding of the patent here in suit is further confirmed, if confirmation were necessary, by another phrase which is peculiar to the first claim, and, in fact, is found nowhere in the patent except in claims 1 and 2. "The rear of the shank" is the phrase referred to. The first claim here in suit specifically requires that the "free end" of the hump wire shall be "returned", not as Quinby tries to make it appear, to *any part* of the shank, but "to *the rear* of the shank"—which phrase, if it means anything, is necessarily a phrase of limitation and specifically directs or identifies *the place to which* the "free end" of the hump wire is to be "returned"

The free end of the tongue wire of the hook complained of does not extend to the rear of the shank, cannot be anchored to the fabric and has none of the functions of the patent in suit.

"Where one patented combination is asserted to be an infringement of another, a device is one, to be the equivalent of a device in the other, must perform the same functions." *Rowell vs. Lindsay*, 113 U. S. 97.

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A garment hook is but a minature snaphook.

The case of *Bragg vs. Fitch*, 121 U. S. 478, is exactly applicable in principle to this case, and was upon the same general class of inventions, viz: snaphooks.

This Court there said: "It is obvious from the foregoing review of prior patents, that the invention of Bristol, if his snaphook contains a patentable invention, is but one of a series of improvements, all having the same general object and purpose; and that in construing the claims of his patent they must be restricted to the precise form and arrangement of parts described in his specification, and to the *purpose* indicated therein.

This Court found that, except the solid pivot all the parts were old, and hence imposed the solid pivot feature upon the first claim, although it was not mentioned therein. The reasoning of this Court upon this subject was as follows: The first "claim must be construed in reference to the *purpose* for which the tongue and spring, thus arranged, were intended, namely, for adjustment upon the solid pivot.

Without this *relative purpose* the combination of the tongue and spring, by itself would be anticipated, etc. * * * If it has any novelty it consists in its new application to the snaphook as devised by Bristol; and this was a snaphook provided with the peculiar solid pivot, or fulcrum-pin, which is the *subject of his second claim*, and to which as we have seen, the form and arrangement of the tongue and spring were specially adapted, and requisite to its beneficial use." Thus construed, the Court held there was no infringement.

## 'The Rear of the Shank."

And right here another matter may be cleared up which has been a subject of almost interminable and useless dispute. What is meant by "*the rear of the shank*"? *Where is* the "the rear" as thus used ?

The second claim tells us. The "free end" of the hump wire is there described as being:

"Returned to and terminating in *an eye* at *the rear* of the shank".

Which clearly means that if you wish to find "*the rear* of the shank", you may look where the eye 8 is, and you will find it,—over beyond and outside of the eyes 4,—and it is so represented in every figure of the drawings.

This, as it seems to us, puts that matter beyond controversy.

This requirement or limitation, that is that the "free end" of the hump wire must be "returned" or brought back to "*the rear* of the shank", or otherwise the De Long invention here in suit, will not be used, is exactly in line with and confirmatory of the limitations imposed on the patent by what has been already quoted concerning the eye, and its four functions. The "free end" of the hump wire, by the limiting language of the claim, is required to be "returned to *the rear* of the shank", and this requirement is apparently made, expressly in order that the eye 8 being bent or otherwise made thereon, the four useful functions assigned to it in the specification and already enumerated, may certainly be accomplished,

That a patentee is limited by the *terms* of his claim has been so often decided by the Supreme Court, that one or two citations will suffice.

*White vs Dunbar*, 119 U. S., 47, 51, 52.

*Water-Meter Co. vs Desper* 101 U. S., 332, 337.

From all which it clearly follows as a necessary conclusion that the return of the "free end" of the wire "to the rear of the shank, substantially as described," must be *such* a return of the wire to *that end* (the *rear* end) of the shank as will enable an eye 8 to be made or bent thereon, or at least will permit some other device to be substituted therefor *on such "free end,"* so that provision may thereby be made for fastening or anchoring such "free end" to the cloth of the garment, so as (1) to increase "the resiliency" of the jaw or hump, (2) sustain it "more firmly in its normal position," (3) provide an additional means of fastening, and (4) prevent an exposed edge. Anything short of this does not contain the invention of the claim here in suit, as described and defined in the words of the inventor himself.

A case on all fours with the present case as regards the very point now in question will be found on reference to *Snow vs. L. S. & M. S. Railway Co.*, 121 U. S. 617, 629—with, however, one exception, that in the Bell Ringer case of Snow, the claim in dispute did not contain *any limitation whatever* in respect of the element of construction wherein the defendants' bell ringer differed from the bell ringer of the patent. In other words, under the *terms of the claim*, there was a clear case of infringement, but defendants denied that they used that which the patent set forth as being *the invention* of Snow. Both in Circuit Court and in the Supreme Court this defense was sustained, and it was sustained expressly for the reason that the patentee, Snow, in his patent specifically stated two features of advantage as appertaining to *his disconnection* of piston and stem. In a *connected* piston and stem as used by defendant neither of these features of advantage or of function was attained. See the discussion on page 629.

The case now at bar is a much stronger one as against any finding of infringement. De Long, in the patent in suit, not only has placed a limitation in the claim by requiring

that the "free end" of the hump wire be "returned to *the rear* of the shank," and by this limitation has left defendants' device outside of any monopoly he is entitled to claim, but still further he has imposed on his invention four functions or features of advantage, as being characteristic thereof. Under the line of reasoning adopted in *Snow vs. L. S. & M. S. Railway Co., supra*, his first claim must be limited to a structure which contains *those four functions* or features of advantage, otherwise his invention is not used.

For further illustrations and applications of this rule, see:

*Sackett vs. Smith*, 42 F. R., 846, 853, and cases cited on p. 853.

*National Co. vs. Williams*, 44 F. R., 190, 194 and cases cited on p. 194.

## Another Limitation.

But this claim 1 of De Long's contains still another limitation, and that, too, of a feature which does not appear in defendants' hook. The hump or jaw—here called a "tongue"—is defined in this claim as:

"Normally *closing the space* between the shank and hook proper."

And this feature is described by De Long in his specification as if he *then* thought it to be essential. Thus he says (lines 42, 43) that "the hook is presented to the jaw [tongue or hump] and *forced past* the same"—that (line 44) the "jaw *opens*"—and after the hook is in place he describes the jaw (lines 46, 47) as "then being *closed* and *controlling the eye*."

If the perfect and complete closing of the space which intervenes between hump and hook were deemed to be absolutely essential, how could the inventor have more clearly expressed it?

This feature of closing, etc., is perfectly illustrated in Fig. 3 of De Long's Patent, No. 462,473 here in suit. In fact, the hump, jaw or tongue 7 *extends up between* the side wires 2 of the hook proper, and hence *more than* closes the space referred to.

And it is only fair to suppose that this requirement was intentionally made, for with such a structure so operating *accidental unhooking would be impossible.* Hence there is a decided advantage in it. Hence under the doctrine of *White vs. Dunbar* and a hundred other cases to the same effect, this also must be regarded as another limitation on the scope of the De Long first claim here in suit, and a limitation, too, which the inventor inserted advisedly and for a good purpose, and which he cannot now be heard to disavow or repudiate.

*McClain vs. Ortmayer*, 141 U. S., 425.

*Dunbar vs. Myers*, 94 U. S., 187, 202.

## Infringement.

Inspection will show that defendants' hook does not contain any eye 8, nor any mechanical equivalent thereof, nor any substitute therefor.

Nor yet again is the "free end" of the hump wire "returned to *the rear* of the shank."

And in the third place the hump, jaw or tongue, in defendants' device is incapable of "normally closing the space between the shank and the hook proper."

Defendants' hook does not contain any means or device of any kind or construction by which *to anchor or secure the free end of the hump wire to the cloth or to anything else.* In it the free end of this wire is just as free as it was in Rogers (1839), or in Atwood (1851), or in Reinhold (1879), or in Riley (1889), or in De Long's earlier patents

(1889 and 1891). Defendant's hook contains no means whatever.

(1.) Whereby "the resiliency of the jaw [or hump] is increased"—De Long's *first* function.

(2.) Nor anything whereby "the jaw is more firmly sustained in its normal position"—De Long's *second* function.

(3.) Nor any additional or extra or unusual means of any kind "for connecting the hook with the garment"—De Long's *third* function.

(4.) Nor is the "free end" or terminal point of defendants' hump wire turned up or down or around in any way whereby to guard against abrasion of the cloth—De Long's *fourth* function.

(5.) Nor is the "free end" of the hump wire in defendants' structure "returned to the rear of the shank."

(6.) Nor in defendants' structure is there any "closing [of] the space between the shank and hoop proper."

Hence we omit absolutely all of these essential elements of the invention and claim in dispute, including all the useful functions assigned to them, and consequently do not infringe; and the chief element which we omit is the *only* element of the De Long claim, as to which invention of any kind can possibly be predicated.

*Vance vs. Campbell*, 1 Black, 428.

*Dunbar vs. Myers*, 94 U. S., 187, 201, 202.

Defendants' hook resembles all other prior hooks of this class, in having the old and well known spring "hump." As to this, we can see no room for dispute.

After this "hump" has been formed, the free end of the wire is doubled back beneath the hump, between the side bars and out of the way.

Everything else is confessedly old. Whether this curling under of the wire, is patentable or not, is not one of the issues in this case, and hence need not be discussed; espe-

cially in view of the controlling fact that it is not what the patent in suit claims. We protect against abrasion, at least sufficiently to please our customers, but we do not do it either by anchoring the free end of the wire nor by making an eye 8 thereon. Hence, clearly we do not infringe.

## Complainants' Fallacies: Quimby's Theories.

Nothing but the pertinacity with which this suit has been prosecuted, and the fallacious lines of reasoning employed therein, can require or even justify any further discussion of these points. With a patent so simple in character, and so plain in its language, the services of a professional expert would seem to be wholly unnecessary. The specification is clear and is exceptionally free from ambiguity or doubt. There is nothing about this "hump" hook which any intelligent man accustomed to read drawings, cannot readily understand. Whatever other reasons there may have been for examining experts in this case, a correct understanding of this patent is not one of them.

Mr. Quimby, however, is called by complainants to explain this invention. He does so, or attempts to do it, in the lower half of page 3, of his testimony, and the first two lines of page 4, the last or third paragraph of page 3 being the one particularly in point. (Record, vol. 2).

It is a sufficient reply to Mr. Quimby's theory that he there says nothing about, nor makes any reference to the patent in suit, nor to its contents, nor does he quote or state anything which the patent contains. In fact, the subject matter of invention which Mr. Quimby explains as belonging to this patent, is never once alluded to in the patent in any way, shape or manner, except as it makes provision for the eye 8, by which to fasten or anchor the free end of the wire to the cloth of the garment. As to a--and we now use

Mr. Quimby's exact language, (p. 3, line 5 from bottom)—"method of safely disposing of the elongated portion of the tongue," the patent in suit does not say a single word nor even give a single hint, that this was Mr. De Long's idea or that it ever constituted any part of his invention. Mr. Quimby is the author of this theory, and not Mr. De Long.

This theory of Quimby's was clearly an "*afterthought.*" With a man of his knowledge and experience, it was perfectly clear that these defendants could not be held as infringers if the patent were construed in accordance with the language employed therein. Hence a new meaning must be sought for it, and it must be read as meaning something else than what it said. In *Consolidated Vapor Stove Co, vs. Elwood Co.*, 63 F. R. 698, 700, Judge Buffington, in discussing a like question, used language which is strikingly applicable in the present case. Thus, the Judge says, (p. 700):

"As opposed to the construction now made by the expert, we have the significant silence of the patent on these points. Indeed, if the gist of the invention was what is now alleged, the patentees were signally successful in not disclosing it."

So, in the present case, if the De Long invention was for a "*method of safely disposing of the elongated portion of the tongue,*"—and this is what Mr. Quimby says—then "the patentee was *signally successful in not disclosing it.*"

One more case which is directly in point—*Merrill vs. Yeomans*, 94 U. S. 568, 573:

"The growth of the patent system in the last quarter of a century in this country has reached a stage in its progress where the variety and magnitude ot the interests involved require accuracy, precision and care in the preparation of all the papers on which the patent is founded. It is no longer a scarcely recognized principle, struggling for a foothold, but it is an organized system, with well-settled rules, supporting itself at once by its utility, and by the wealth which

it creates and commands. The developed and improved condition of the patent law, and of the principles which govern the exclusive rights conferred by it, leave no excuse for ambiguous language or vague descriptions. The public should not be deprived of rights supposed to belong to it, without being clearly told what it is that limits these rights. The genius of the inventor, constantly making improvements in existing patents—a process which gives to the patent system its greatest value—should not be restrained by vague and indefinite descriptions of claims in existing patents, from the salutary and necessary right of improving on that which has already been invented. It seems to us that nothing can be more just and fair, both to the patentee and to the public, than that the former should understand, and correctly describe, just what he has invented and for what he claims a patent."

The above extract appears in a decision of 1876. The patent here in suit was taken out in 1891. The lapse of time certainly did not lessen, and it may fairly be said that it rather *increased*, the obligation devolved upon patentees to describe and identify their inventions with clearness, accuracy and precision.

Cases in which an "*afterthought*" is resorted to in order to make a patent mean something which it does not describe or something different from that which is described—such cases are not rare. The latest one which comes under our notice, from the Circuit Court of Appeals in the Sixth Circuit, may be cited as an authority—the language used being quite similar to that above quoted from Judge Buffington.

*Wells vs. Curtis*, 74 O. G. 495, being the number for January 28, 1896, with particular reference to p. 497, first column, first paragraph.

**If the subject matter in dispute be as defined by Mr. Quimby, then it involves no patentable invention whatever, and the Patent is void.**

Mr. Quimby's position, if we correctly understand him, is this: that the first De Long claim here in suit covers or includes *any* return of the "free end" of the hump wire to any point on the shank at or back of the junction of the downward bend of the hump wire with the horizontal portion whereon is formed the eye 8 as illustrated by the line *X*—*X*, Figure 1, Appendix, Defendants' Exhibits, page 7. In other words, cutting off the hump wire at that point, and with it of course the eye 8, the De Long invention would still be present; at least so Quimby says.

Now it is perfectly clear that a De Long hook thus mutilated would contain *no patentable invention whatever*. It is true that the hump wire would be returned to the shank, but such return would involve *no novel or useful function, operation or result*, and hence could not constitute a basis on which the presence of patentable novelty could be predicated.

Merely extending a wire from one point to another, which is all that would be then left of the return wire in the De Long structure, would not involve any patentable invention, nor would any new or useful function be performed by or as a result of such extension. The wire, either in going from one such point to another, or else after it gets there, must perform some work or function, useful in its character, and not obvious to a skilled mechanic. Every element of the structure or combination must do some work of some kind,—and work, too, which has some relation to the other elements of the structure or combination.

Judge Shipman, in *Yale Co. vs. North*, 3 Fisher, 279, 287; 5 Blatch 455, 461, states the rule with great brevity and clearness, thus (the italics being ours):

"A combination of mechanism must consist of distinct mechanical parts, having some relation to each other, and *each having some function in the organism.*"

Take now the disputed element of the first claim, which reads as follows:

"And having its free end returned to the rear of the shank."

If this be construed as covering *any* "free end," going to *any* part of "the shank," and without reference to what function it performs or what work it does when it gets there, or as to whether it does any work or not,—then the claim is absolutely void on its face, as not covering any invention at all. The absence of a specific function, and all the more so of any function at all, is fatal to the presence of any patentable invention.

And non-patentability of subject matter is one of the defenses which, in a patent suit, it is not necessary to plead or prove. It is just as fatal to the action, when it appears, as a failure of jurisdiction.

## Pioneership.

The effort to make a pioneer patent out of the patent here in suit, is simply *puerile.* De Long's *first patent*, issued in 1889, No. 411,857, is not a pioneer. He was not the first inventor of the "hump," nor did he even pretend that he was. Wire hooks were old, and the "hump" was old, The novelty of De Long's *first patent* related not primarily to the "hump," but to a particular loop on the free end of the wire. This one fact divests Mr. De Long of all claim or pretense to pioneership.

And still less can this doctrine of pioneership be invoked when his *latest* patent is being adjudicated. Each successive patent narrows the field. Rogers was the pioneer in "hump" hooks. Nobody who comes after him is entitled to dispute his honors.

The law as to pioneership,—both sides of it,—is believed to be summed up with equal accuracy and brevity in *Miller vs Eagle Co.*, 151 U. S. 186,207, lower half of the page.

And if what is said in the concluding sentence of page 207 as to mechanical equivalents, be good law,—as we believe that it is,—then the De Long patent here in suit, is not even entitled to the benefit of that doctrine, and must be relegated to a much lower position in the art than we have thus far ascribed to it in our discussion.

And if thus still further limited by excluding mechanical equivalents, the last shadow or semblance of infringement will drop out of the case.

If any further citations are desired as to the law of pioneership, the views expressed by Mr. Justice Shiras in *Boyd vs. Tool Co.*, 158 U. S. 260,267, are directly in point. See also *Wright vs. Yuengling*, 155 U. S. 47, *Knapp vs. Morse*, 150 U. S. 221.

## The Brosnan Patent.

From Judge Acheson's opinion we make a brief extract:

"We do not understand the defendants to insist that the hook in question lacks patentability. Indeed such a defense would be inconsistent with the defendants' position with respect to the Brosnan patent, No. 501,320, under which they claim to manufacture."

If by the first sentence is ment that defendants do not deny the patentability of the *De Long* hook, we take no exceptions,—that is, understanding the De Long patent now in suit, *as it is described in the patent*,—but as described by Quimby, we do most emphatically deny its patentability.

What is meant by the next sentence is not so clear. It certainly cannot mean that a defendant is estopped from denying the validity of any patent which he may happen to own, and is so estopped merely because he says or claims to

be manufacturing under it, nor in fact does Judge Acheson so decide. And if the question were before him as an issue in the cause, he would doubtless hold that a party may at any time disavow his own title, if for any reason he wishes to, provided in doing so, he works no injury to anybody else. Hence it is believed that the question of infringment is to be passed on in this case just as if the Brosman patent had no existence.

It may be added, however, that if the Brosman patent has any force or effect whatever, in the present litigation, it can only be as *evidence of non-infringement*, and for this purpose it is relevant. And as to this, the opinion rendered by Mr. Justice Shiras in *Boyd vs. Tool Co.* 158 U. S. 260, 261, 262, is closely in point.

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**The file wrapper and contents pertaining to the De Long patent here in suit, show conclusively that the patent stands on exceedingly narrow ground, and that it must be strictly construed.**

This record of the Patent Office proceedings will be found in "Appendix, Defendants' Exhibits," pp. 23–40.

As the first claim of this patent is the only one in controversy, let us follow its history.

As first submitted, it read as follows:

> "1st. A garment hook consisting of front and rear portions, a shank intermediate of the side pieces of the rear portions, and a jaw which closes the space between said front and rear portions, and is continuous of said shank, substantially as described."

At that time, the sentence in the specification, commencing with "The eye," line 47, was not contained in the description. It was subsequently inserted by amendment, so that this portion of the specification then read as at the bottom of page 25, of the Exhibit, and top of page 26.

If the patent had been allowed and issued on that claim and that specification, the claim would have been much broader than it now is, and, *but for the specification* and prior art, might *possibly*, have been constructed as broadly as Quimby now contends.

But the Patent Office told Mr. De Long that he could not have that claim,—that the claim was too broad, both in view of his own earlier patent No. 441,857, and in view of a patent of Mason's of 1861.

Applicant was also requested by the Patent Office "to set forth what function the eye on the end of the spring detent or dog, performs,"—meaning, of course, the eye 8.

*Exhibit*, p. 26, and top of p. 27.

Mr. De Long then had his option to insist on his claim, and, if rejected, to proceed by appeal, even to the U. S. Circuit Court,—or, on the other hand, to acquiesce in the rejection, admit its correctness, and modify his claims.

He elected to do the latter, and is bound by the result. In answer to the rejection he erased the first claim, as above quoted, as well as the other claims, and, in lieu of the first claim so erased, he inserted the following (p. 27), which, with an important change in one word, is the claim now in issue:

> "1st. A garment hook consisting of a shank, a hook proper and a tongue continuous of each other, said tongue being looped and normally closing the space between the shank and hook proper, and having its free end returned to the rear of the *hook*, substantially as described."

It will be seen that we have italicized the word "*hook*," in the above claim. Thus phrased the claim *apparently* contemplated that for which Quimby now contends, that is, for the return of the free end of the wire to *any part* of the shank, since the shank and "the rear of the hook" are clearly co-terminous—that is, one is just as long as the other.

Under date of July 16th, 1891, the clause was inserted by which the functions of the combination or structure were accurately defined, as per lines 47-51 of the patent—these being the two principal functions of the device or structure as explained above. See amendment, Exhibit p. 31.

The record does not disclose *why* the claim, as last above formulated, was again rejected, but it does disclose the fact that Mr. De Long, either in answer to some *verbal* rejection or *voluntarily* on his own part—and, for our present purpose, it matters not which—erased the word "hook" from the claim, and substituted therefor the word "shank." In doing this *he imposed on his invention a new, a material and a substantial limitation.* For it is obvious, on inspection, that the "*rear* of the hook" includes the *whole* of the shank. If such had been the phraseology, then it would not matter to what part of the shank the return wire went. But when, instead of this, he said "to the *rear* of the *shank*," and also defined, as we have already seen, what he meant by "the *rear* of the *shank*" he then and thereby limited himself right down to the specific device of his patent, placed his patent on the narrowest possible grounds, and excluded himself from the benefit of the doctrine of mechanical equivalents.

The law on this subject is so well settled that the citation of a very few cases will suffice—the italics, as heretofore, being our own:

"The doctrine of equivalents or the *liberal construction* allowed to pioneer inventions, cannot be invoked in behalf of a patentee whose claim must be strictly limited in order to save it from anticipation by previous patents, so as to broaden the claim and practically make it cover what was rejected by the Patent Office."

*Gordon vs. Warder*, 150 U. S. 47.

"Where the patentee has once presented his claim in a particular form, and the Patent Office has rejected it, and he

has acquiesced in such rejection, he is estopped to claim the benefit of his rejected claim *or such a construction of his claim in the subsequently issued patent as would be equivalent thereto;* the principle is the same if the rejected claim be narrower than the one allowed."

*The Morgan Envelope Co. vs. The Albany Perforated Wrapper Co.*, 152 U. S. 425.

See also *Fox vs. Perkins*, 6 U. S. App. 200,264,265.

Other cases already cited *supra* are to the same effect.

And the rule of law now invoked has been recently and emphatically affirmed and applied in the Circuit Court of Appeals for the Third Circuit.

*Duff Mfg. Co. vs. Forgie*, 59 F. R. 772:17 U. S. App. 435, 438, 439.

*Lewis vs. Pa. Steel Co.*, 17 U. S. App. 296, 333.

It may not be out of place to suggest that the probable reason why this last limitation was imposed on De Long's first claim, was the one which we have mentioned above,—namely, that such a claim, that is, with the return wire brought back to *any part* of the shank, and without having *any mechanical work or function assigned to it*, either in *going back, or after it got back*, that such a claim would not contain any patentable invention. And this explains why lines 47 to 51 were inserted by amendment in the specification. And if this was the ruling of the Patent Office, as we may well believe it was, then the action of the Patent Office, and Mr. De Long's action thereon, are perfectly in accord with, and confirmatory of the views above expressed, and constitute, *of themselves*, a complete answer to Complainants' case, as formulated by their expert, Quimby, and still further they fully sustain our position.

## Extensive Sales.

THERE HAVE BEEN NO SALES AND ONLY 3 HOOKS HAVE BEEN MADE. (Record, Vol. 2, p. 53-A 62-65.)

The manifest weakness of this case has compelled complainants to resort to the well worn argument that extensive sales of the patented article, in that they prove a high degree of utility, establish or at least *tend* to establish a presumption of patentable novelty. Cases to that effect are exceedingly numerous, and when properly applied the rule is highly salutary in character, but,—

1st. The large sales proven on the part of complainants, do not relate to the hook of this patent, but rather to the hook of the earlier patent No. 411,857. The record shows that *no hooks have ever been made under the patent here in suit*, excepting 3 made by hand, and consequently there can be no presumption arising therefrom either as to novelty, utility or patentability.

2nd. The Court will probably conclude after reading the testimony,—that is if the Court ever gets that far,—that the witnesses on both sides have been "splitting hairs" over the mechanics of the case. And the Court will probably come also to the conclusion, whether the testimony be read or not, that the "*hump*" is the predominant and distinguishing feature of the structure in question, and that the extent of sales is due to that "hump" and to nothing else, —except perhaps to the absence of sundry inconveniences the removal of which comes within the skill of the mechanic in the ordinary pursuit of his calling. It is a matter of public notoriety of which any Court may take judicial knowledge that the "hump" displayed on street cars, on public posters, and in the advertising literature of the day, is *the* thing which for business purposes is solely relied on. Hence the fact of "extensive sales" has nothing to do with the case.

3d. The argument from "extensive sales" has been so seriously overworked, that the Supreme Court has felt compelled to pass on it, and express its disapproval. Thus in *McClain vs. Ortmayer*, 141 U. S., 419, Mr. Justice Brown, in delivering the opinion of the Court, uses the following terse and vigorous language (p. 428):

"That the extent to which a patented device has gone into use is an unsafe criterion even of its actual utility, is evident from the fact that the general introduction of manufactured articles is as often effected by extensive and judicious advertising, activity in putting the goods upon the market and large commissions to dealers, as by the intrinsic merit of the articles themselves."

And if the learned Justice had had the present case in mind, he could not have "hit the nail on the head" with more perfect accuracy than he did in the second sentence next following the one above quoted, which runs as follows:

"If the generality of sales were made the test of patentability, it would result that a person by securing a patent upon some trifling variation from previously known methods, might, by energy in pushing sales or by superiority in finishing or decorating his goods, drive competitors out of the market and secure a practical monopoly, without, in fact, having made the slightest contribution of value to the useful arts."

To the same effect is the concluding paragraph of the decision in *Duer vs. Corbin Company*, 149 U. S., 216.

And for a like ruling in the Circuit Court of Appeals see *Fox vs. Perkins*, 6 U. S. App., 200, 272, 273.

And for a Circuit Court case to the same effect see *Peoria Target Company vs. Cleveland Target Company*, 47 F. R., 725, 277.

It is confidently believed that on the record of the patent alone, and without even considering the testimony in the case, the decree of the Court below should be affirmed.

*Attention is respectfully and especially called to the decision in Richardson & De Long Bros. vs. American Pin Co., 73 F. R., 476, which illustrates the unfairness of petitioners' attempt to shut out competition.*

## PRIORITY OF INVENTION, IN 1888, BY BROSNAN.

### General Discussion.

Respondents contend that the Brosnan hook was exhibited to a certain group of witnesses in 1888, and to another group in 1890.

Either of these dates are long prior to the date when De Long swore to his application, viz: March 28th, 1891, *which is plaintiff's earliest proven date.*

**Brosnan's application was on file in the Patent Office for more than two months before the De Long patent was issued, viz, from Aug. 28th, 1891, to Nov. 3rd, 1891.**

This circumstance radically alters the measure of proof required.

Where two applications are pending concurrently, and a patent issues on one without an interference, *the patentee will have no advantage* on that account, but an interference will be declared as if no patent had been granted. (Robinson, Section 591, note 1, near end.)

**The presumption arising from De Long's filing first throws upon us the burden of proof and no more.**

"The mere weight of evidence then would turn the scale, although nicely balanced."

(*Goodman vs. Scribner*, C. D. 1872, pg. 254.)

This case is followed in *McKnight vs. Van Wayner*, C. D. 1876, pg. 126, by Commissioner Doolittle; *Smith vs. Barker*, C. D. 1875, pg. 5, by Commissioner Packer; *Gordon vs. Withrington*, 9 O. G., 1009, also by Commissioner Doolittle, and in *Burkfield vs. Burk*, 4 O. G., 81, by Commissioner Leggett, referring to a decision in same line; *Hamilton vs. Foster*, C. D. 1869, pg. 30.

The rule was again affirmed in 1882 in *ex parte* Marston (C. D. 1882, pg. 1), and again in *ex parte* Boyer (49 O. G. 1985), by Commissioner Mitchell, Dec. 12, 1889.

Under such circumstances the office decides that the patentee can get no benefit of presumption from the mere issue of his patent, nor the other applicant be prejudiced by such issue.

**There is absolutely nothing in the record attacking the character for truth and veracity of a single one of these fourteen witnesses.**

What adequate reason has ever been advanced which would have induced these witnesses to commit perjury?

Smith and Murray are the only two witnesses who have any pecuniary interest in the result, being stockholders in the manufacturing company.

It appears, however, from the record, that they are among the leading merchants of Springfield, carrying on large business interests there, and that the Golden Spring Company is only a comparatively small outside speculation with them.

They have been men of standing in the community for years, and it surpasses belief that they would deliberately concoct and promulgate a perjured scheme to defeat the De Long patent. The risk and obloquy would far outweigh any possible advantage to them.

So far as can be learned, the other twelve witnesses attended at great personal inconvenience and loss.

Barton, one of the most important, never met Brosnan but once.

Lapham was not even personally acquainted with him.

Joslin and his wife bear the marks of being quiet, honest, respectable people.

It is true that they are friends of Brosnan, but to assume that husband and wife in their station in life would guiltily connive and swear falsely for this reason only, requires more credulity than to accept their story.

Yet Barton, Joslin and Mrs. Joslin fully establish the 1888 date.

The utmost that can be said against the testimony of the other seven witnesses is that they were on friendly relations with Brosnan.

But they do not belong to the class of purchasable witnesses.

Sherman is a drygoods merchant; Morley, the inventor of the famous Morley button sewing machine; Wilkins, a shoe merchant; Grant, a traveling salesman; McKim a salesman and buyer; Lombard, a clerk; Haskins, an inspector of fire-arms at the Ames Sword Co's., and Nickerson in the stationery business at Holyoke.

## What Opportunities did the Witnesses have to Examine the Hook?

Joslin and Mrs. Joslin saw the hook repeatedly; held it in their hands; saw the eye worked in and out; had the differences between it and the old style explained to them by Brosman.

Wilkins carried the hooks in his pocket for several days at least and as a possible purchaser and promoter could not fail to recollect their construction.

Smith and Murray both gave the hook the examination which prudent men would do who were asked to invest money in the same and brought to that examination the skilled training which years of experience in that class of goods would give.

Whatever may be said of the character of the examination by the other witnesses, these six saw and heard enough to fully identify the hook and fix its construction in their memory.

With all these opportunities to note and observe, the Court below says, these witnesses if they saw any hook in year 1888, saw the sheet metal hook.

But the difference between the two materials and their general appearance are too great to thus deceive the senses.

De Long himself says (A. 37) concerning the sheet metal hook, "the model (was) so ridiculous that we didn't give it any consideration," while the wire hook has commended itself to the trade and there is strong evidence to prove that it is the best hook of its type on the market.

We are shut up logically to two alternatives: these witnesses either saw the sheet metal hook or they have committed deliberate perjury.

But these witnesses are reinforced as to the character of the hook by McKim, a salesman in a drygoods store, who would be a critical observer of such articles; Sherman, the proprietor of a drygoods store; Morley who had the keen eye of a mechanic and inventor; Nickerson who subsequently recognized the hook in a cut of the same; Haskins, the inspector, and Lombard, Grant and Barton.

Where are these witnesses contradicted?

## WHEN DID THE WITNESSES SEE THE WIRE HOOK?

**Barton never saw Brosnan but once and has never been in Springfield since his mother's funeral, and her death is proven by records as occurring February 23d, 1888.**

During the few days of his stay in Springfield, Brosnan explained to him the feature of his wire hook which would not unclasp.

There is, therefore, not only a "natural" but an inevitable connection between this date and the hook in the case of this witness.

There is a very decided touch of nature in the circumstances under which Joslin and his wife saw the hook, since both saw it on the occasion of their first joint visit to Brosnan's home, when the suggestion naturally arose that this invention would help him pay for it, Mrs. Brosnan having expressed her forebodings to Mrs. Joslin about the heavy expense.

Nickerson and Haskins both fix the date as being in connection with their first intimation of Brosnan moving into that neighborhood.

Sherman as being the first time that he had ever met Brosnan.

Lombard as being while he was in Wilkins' employ, which terminated early in 1888.

Morley as being in connection with the Keith machine report, which was made, as appears by records, early in 1888, and also as being in a certain store which Wilkins vacated permanently in October, 1888.

Lapham as being in a certain store which he left in 1888.

In view of these circumstantial and identifying reasons the plaintiffs must fall back on the hypothesis that these witnesses were untruthful.

It is easier far to believe this than that they were all mistaken.

The brief in the Court of Appeals on behalf of Campbell & Smith touching the questions of prior invention by Brosnan, covered some 40 pages. As however, it is not understood that this Court will on this preliminary hearing examine some 400 pages of evidence, a further discussion of the evidence relating to this branch of the case will be deferred until it be determined whether this further discussion be requisite to protect the rights of Campbell & Smith.

To support the allegation that innocent parties will be injuriously affected by a reopening of this cause, the affidavit of the Treasurer of the Golden Spring Hook & Eye Co., is offered, and has been left with the clerk, to be referred to by the Court if it is desired.

In conclusion we submit that the writ prayed for should be dismissed at the costs of the petitioners.

Wm. L. Prince

Allen Webster

*of Counsel for Campbell & Smith.*

## OPINION OF CIRCUIT COURT OF APPEALS.

UNITED STATES CIRCUIT COURT OF APPEALS FOR THE THIRD CIRCUIT.

WILLIAM CAMPBELL and J. J. SMITH, Appellants,
vs.
THOMAS DE Q. RICHARDSON, *et al.*

### Opinion of Circuit Court of Appeals.

Appeal from the Circuit Court of the United States for the Western District of Pennsylvania.

Before Dallas, Circuit Judge, and Butler and Wales, District Judges.

Butler, District Judge.

The bill charges infringement of the first claim of Letters Patent No. 462,473, dated Nov. 3, 1891, for an invention of Frank B. De Long. The claim reads as follows:

> "1. A garment hook consisting of a shank, a hook proper, and a tongue continuous of each other, said tongue being looped and normally closing the space between the shank and hook proper, and having its free end returned to the rear of the shank, substantially as described,"

The respondents hook which is charged to infringe, is similar in construction to the complainants', except that the free end of the wire of which it is formed, is cut of near the rear of the shank.

The only question which need be considered is one arising upon the construction of the claim. Looped or "humped" hooks were not invented by De Dong; but very old. He had taken out two patents for improvements in them, as the record shows, which are undistinguishable from that of his third patent, now involved—except in the single feature

hereinafter noted. The free end of the wire in each of his former hooks were cut off forward, and so bent as to avoid danger of injury to the garment on which it might be used. Of course it is unimportant whether the loop be formed by bending the wire upward or downward, or whether it be placed in what the patent calls the "hook proper," or in the shank opposite; and it is equally unimportant whether the free end of the wire be carried to the rear, or terminated sooner. If therefore, the words "substatially as described", be omitted from the claim, and the preceding language be taken literally, nothing new would be embraced and the claim would consequently be invalid. This seems to be clear; for there would be nothing as we have seen, to distinguish the hooks thus described from those of De Long's former patents except the merely formal differences before stated, the end of the wire, when cut off at the rear of the shank serving no purpose, that is not as well served by cutting it further forward, as provided for in the earlier patents. The words referred to cannot, however, be omitted; they are part of the claim, and control its construction. The hook named therein is the one described in the specification and drawing; the claim expressly so declares. The only hook, thus described, either in the specification or drawing is one with the free end of the wire carried to "the rear of the shank, and there formed into an eye" giving to the hook three eyes by which to attach it, instead of two as formerly. The drawing shows this peculiar hook and no other, and the specification describes it particularly, declaring it to be an "embodiment of the invention" and does not suggest any other. Indeed the language of the specification seems to preclude the belief, that any other was thought of. It is as follows:

"The free end of the jaw is provided with an eye 8, which is adjacent to the eye 4 and disconnected therefrom, it being noticed that the jaw is elastic in its nature and may yield when subjected to superior pressure, this being occasioned when the eye to be connected with the hook is presented to

the jaw and forced past the same, so that said jaw open sand allows said eye to reach the bend 3, on the inner side of which it is seated, the jaw then being closed and controlling said eye. The eye formed on the end of the jaw is secured in a manner similar to eyes 4 4, so that the resiliency of said jaw is increased and the jaw more firmly sustained in its normal position. The eyes 4 and 8 provide means for connecting the hook with the garment or other place of service, said eye 8 also preventing the jaws from presenting an exposed edge."

It is thus seen that a special function is ascribed to the peculiar disposition made of the free end of the wire.

The suggestion that this construction leaves no distinction between the first and following claims has no force: The fault is not in the construction, but in the language of the claims, and the specification and drawing. Such similarity in claims is not infrequent in patents, where several are founded on a single novel feature in a device. Patentees seem fond of multiplying claims, inspired probably by a fear that they may not otherwise get all they are entitled to. Here the first claim covers all the novelty to be found in either the specification or drawing.

With the claim thus construed, the respondents' hook does not infringe. It is in all material respects similar to that of De Long's first patent.

The decree must be reversed and the bill dismissed with costs.

## Certificate of Clerk and Extracts from Bill in New Jersey Suit.

UNITED STATES CIRCUIT COURT.

DISTRICT OF NEW JERSEY.

| | |
|---|---|
| THOMAS DE Q. RICHARDSON, FRANK E. DE LONG and CHARLES F. DE LONG, trading as RICHARDSON & DE LONG BROTHERS. | In Equity. |
| VS. | |
| THE GOLDEN SPRING HOOK and EYE COMPANY. | |

I, S. D. Oliphant, Clerk of the Circuit Court of the United States, for the District of New Jersey, do hereby certify that the bill of complaint in the above stated cause was filed December 11, 1896; that this suit is now pending in this court.

In testimony whereof I have hereunto set my hand, and affixed the seal of said Court, at Trenton, this fifteenth day of January, A. D. eighteen hundred and ninety-seven.

S. D. OLIPHANT,

[SEAL.] *Clerk U. S. Circuit Court.*

### The following is an extract from the Bill above referred to.

"That being advised and believing that the said Golden Spring Hooks, so as aforesaid made by this defendant and sold by the said firm of Campbell & Smith, infringed upon said last mentioned Letters Patent No. 462,473, your orators brought suit against the said Campbell & Smith, in the Circuit Court of the United States for the Western District of Pennsylvania, for infringement of said Letters Patent No. 462,473. That thereupon this defendant, The Golden Spring Hook and Eye Company, undertook and maintained the de-

fense of said suit, on behalf of said Campbell & Smith, and paid all the expense thereof, and your orators aver were and are privy to the said suit and all proceedings therein."

"That thereupon an appeal was taken by this defendant, The Golden Spring Hook and Eye Company, on behalf of said Campbell & Smith, to the United States Circuit Court of Appeals for the Third Circuit, and this defendant, The Golden Spring Hook and Eye Company, took, prosecuted and maintained said appeal and paid all the expenses thereof, and were and are privy to all the proceedings of said appeal."

"That the said Circuit Court of Appeals found that the said Golden Spring Hook manufactured by this defendant and sold by the said Campbell & Smith, and which was the subject of the charge of infringement in said suit, was in all material respects similar to the hook of said Letters Patent No. 411,857, and upon that ground adjudged that the said first class claim of Letters Patent No. 462,473 should be so construed as not to include said Golden Spring Hook, and reversed the decision of the Court below and ordered the bill of complaint to be dismissed." All of which will more fully appear by reference to the opinion of said United States Court of Appeals, a duly certified copy whereof is hereunto annexed, marked D.

"That this defendant, being so as aforesaid privy to the said suit of these complainants against Campbell and Smith, and to the said appeal, and to the said decision and decree of the United States Circuit Court of Appeals, is bound and stopped by said last mentioned decision and decree, and ought not to be heard or permitted to deny that the said Golden Spring Hooks, which were the subject of the charge of infringement therein, and which are now herein charged to infringe upon the said Letters Patent No. 411,857, are substantially identical in all respects with the hooks in said Letters Patent No. 411,857."

## Decree of Circuit Court and Certificate of Clerk of Circuit Court.

And now, to wit, December 10th, 1896, in pursuance of the mandate of the United States Circuit Court of Appeals for the Third Circuit, it is ordered, adjudged and decreed, that the bill in this case be dismissed with costs to be taxed by the clerk against the cemplainants.

BY THE COURT.

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*United States of America,*
*Western District of Pennsylvania.* } ss:

I, H. D. Gamble, Clerk of the Circuit Court of the United States of America, for the Western District of Pennsylvania, in the Third Circuit do dereby certify the foregoing to be a true copy of the original decree entered in accordance with the mandate from the United States Circuit Court of Appeals. And I further certify that said mandate was filed November 21, 1896, in the foregoing entitled case.

In testimony whereof. I have hereunto subscribed my name and affixed the seal of the said Court, at Pittsburgh, in said District, this 20th day of January, in the year of our Lord one thousand eight hundred and ninety-seven, and of the Independence of the United States the one hundred and twentieth.

H. D. GAMBLE,
*Clerk U. S. Circuit Court.*

165-720

Office Supreme Court, U. S.
FILED.
JAN 7 1897
JAMES H. McKENNEY,
CLERK.

165-720

684

# UNITED STATES SUPREME COURT.

THE RELIANCE MARINE INSURANCE COMPANY, LIMITED,

*Libellant,*

*against*

THE NEW YORK AND CUBA MAIL STEAMSHIP COMPANY AND OTHERS,

*Respondents.*

THE NEW YORK AND CUBA MAIL STEAMSHIP COMPANY AND OTHERS,

*Libellants,*

*against*

THE RELIANCE MARINE INSURANCE COMPANY, LIMITED,

*Respondent.*

## PETITION FOR WRIT OF CERTIORARI.

MACFARLAND & PARKIN,
*Proctors for* RELIANCE MARINE INSURANCE CO., LIMITED.

W. W. MACFARLAND,
*Advocate.*

The Seneca

# United States Circuit Court of Appeals, 1

SECOND JUDICIAL CIRCUIT.

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THE RELIANCE MARINE INSURANCE COMPANY, LIMITED,
Libellant, 2

AGAINST

THE NEW YORK AND CUBA MAIL STEAMSHIP COMPANY, and others,
Respondents.

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THE NEW YORK AND CUBA MAIL STEAMSHIP COMPANY, and others, 3
Libellants,

AGAINST

THE RELIANCE MARINE INSURANCE COMPANY, LIMITED,
Respondent.

---

Notice is hereby given, that upon the petition of the 4
Reliance Marine Insurance Company, Limited, verified the 29th day of December, 1896, and upon all the pleadings and proceedings herein, we shall on Monday, the eleventh day of January, 1897, at the opening of the Court on that day, or as soon thereafter as counsel can be heard, submit a motion, a copy of which is hereby

served upon you, to the Supreme Court of the United States, at the Capitol in the City of Washington.

Dated New York, December 29th, 1896.

MACFARLAND & PARKIN,
Proctors for Reliance Marine Insurance Company, Limited.

To Messrs. WING, PUTNAM & BURLINGHAM,
Proctors for the New York and Cuba Mail Steamship Co.

SUPREME COURT OF THE UNITED STATES.

THE RELIANCE MARINE INSURANCE COMPANY, Limited,
Libellant,

AGAINST

THE NEW YORK AND CUBA MAIL STEAMSHIP COMPANY, and others,
Respondents.

THE NEW YORK AND CUBA MAIL STEAMSHIP COMPANY, and others,
Libellants,

AGAINST

THE RELIANCE MARINE INSURANCE COMPANY, Limited,
Respondent.

And now here comes the Reliance Marine Insurance Company, Limited, by William W. MacFarland, its advocate, and moves this Honorable Court for a writ of certiorari directed to the Honorable Judges of the

United States Circuit Court of Appeals for the Second 9
Judicial Circuit, commanding them forthwith to certify and return to this Court all of the proceedings by them had in the suit now or lately before them, wherein the Reliance Marine Insurance Company was libellant, and the New York and Cuba Mail Steamship Company, Henry P. Booth and William H. T. Hughes were respondents, and all the proceedings by them had in a certain cross-suit wherein the above named respondents were libellants and the above-named libellant was respondent. 10

W. W. MACFARLAND,
Advocate for Petitioner.

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To the Supreme Court of the United States:

The petition of the Reliance Marine Insurance Company, Limited, for a writ of certiorari to the Judges 11
of the United States Circuit Court of Appeals for the Second Judicial Circuit, to bring before the Supreme Court a certain case, wherein the Reliance Marine Insurance Company, Limited, is libellant, against the New York and Cuba Mail Steamship Company, Henry P. Booth and William H. T. Hughes as respondents, and a certain cross action in which the above-named respondents are libellants, and the above-named libellant is respondent, respectfully shows:

FIRST.—At all the times hereinafter mentioned, the 12
Reliance Marine Insurance Company, Limited, was a corporation organized under the laws of Great Britain and Ireland, and engaged in the business of marine insurance.

SECOND.—At all the said times the New York and Cuba Mail Steamship Company was a corporation organized under the laws of the State of New York, and was the owner of the steamship *Seneca*, which was engaged in the transportation of passengers and merchan-

13 dise between Havana, Mexican and Central American ports and the City of New York.

THIRD—On December 23d, 1893, one J. M. Fortier of Montreal, shipped on board the *Seneca* 221 bales of tobacco to be brought from Havana to New York. The *Seneca* sailed from Havana on Saturday, December 23d, at 6 P. M., having on board a general cargo consisting principally of hemp and tobacco. About 1 A. M. of Sunday morning, fire
14 was discovered in the hemp in the forward part of the ship. The vessel was then heading N. N. E., with the wind dead ahead. She was put about before the wind, and efforts made to extinguish the fire by pouring on water. These efforts were not successful, and about 3.20 A. M the hatches were battened down, steam turned into the forward hold, and the vessel put back to Havana.

FOURTH.—The *Seneca* is an iron steamship, having a
15 lower hold, a lower between decks and an upper between decks. Iron bulkheads run across the ship dividing the engine-room from the holds before and aft of it. These bulkheads do not extend above the lower between decks, but in the upper between decks there are two wooden bulkheads, one before and the other abaft the engine-room. These bulkheads are not water-tight. In the upper between decks the engine-room does not extend across the ship, but on each side of it running fore and aft between the wooden bulkheads
16 are bunkers, which on the voyage in question were filled with hemp. Running from the boiler into the forward holds are steam pipes, two inches in diameter, perforated with $\frac{1}{4}$ inch holes, by which, when the hatches were battened down, steam was forced from the boilers through the pipes into the holds at a pressure of about 100 lbs. to the square inch.

FIFTH.—The fire was in the hemp in the lower between decks forward of the engine-room, and when it was discovered a hatch leading from the upper

between decks to the lower between decks was opened, and left open during all the subsequent operations, thus giving access for the steam, impregnated with smoke, to the upper between decks. Fortier's tobacco was in the after upper between decks, against the wooden bulkhead which separated it from the bunkers on each side of the engine-room. These wooden bulkheads were not tight, nor did they or the hemp in the bunkers afford any effective obstacle to the steam forcing its way to the place where the tobacco was stowed. 17 18

SIXTH.—The *Seneca* after putting about arrived at Havana about 10.30 A. M. and during all the time from 3.20 to 10.30 steam was injected from the boiler into the place where the hemp was burning. On arriving at Havana, the assistance of the fire department was obtained and water poured into the forward hold, the fires under the ship's boilers being allowed to go out. About 5 o'clock P. M. the captain found that the fire could not be extinguished, and then decided to discharge as much of the cargo as possible and scuttle the vessel. Accordingly the hatches of the after upper between decks were opened and the cargo, including Fortier's tobacco, was discharged into lighters. At 6.15 P. M. the discharge valve was opened and about 9.20 P. M. the vessel was on the bottom and the fire out. The cargo that was discharged was kept on lighters for about four days, and then forwarded to New York by the *Yumuri* and *Yucatan*, two other vessels of the same line as the *Seneca*. 19 20

The ship having been raised without being cleaned or made fit to receive cargo, and without taking in other cargo, in the foul condition incident to the scuttling, sailed from Havana for New York on the 14th day of January, 1894, arriving there on the 19th, with the remains of the cargo that had gone down with the ship, so damaged as to be of little or no value, except some bullion that was on board.

SEVENTH.—On the arrival of the cargo by the *Yumuri* and *Yucatan* it was delivered to the consignees,

21 and general average bonds given by them to Henry P. Booth and William H. T. Hughes, as trustees for all concerned. A general average adjustment was then prepared by which Fortier was allowed $2,987.55, which the adjusters decided to be the amount of damage which 64 bales of his tobacco had been directly damaged by water. Not having the facts before them, it was assumed by them that this water damage occurred while the tobacco was on the lighters, though the evidence shows that such was not the case. They
22 refused to make any allowance for the other damaged bales. At the time it was not known to the adjusters that the tobacco had been exposed to a combination or mixture of smoke and steam, and the smoke damage to the tobacco was supposed to be due to the fire alone. The tobacco was sold at auction and showed a net loss of $12,766.64.

The result of the auction sale was accepted by the adjusters as correctly showing the actual amount of damage to the tobacco, but all of that loss, except the
23 said sum of $2,987.55 was disallowed solely on the ground that no more could properly be allowed as due to a general average loss.

In the adjustment Fortier was made to contribute to the damage sustained by the ship and cargo on board caused by the scuttling of the ship, and after his tobacco was on the lighters in safety. And he was also made to contribute to the cost of raising the ship, which was not accomplished until ten days after the arrival of his tobacco in New York, and the result was
24 to make him a debtor in the final statement of the general average adjustment in the amount of $934.57.

Eighth.--The Reliance Marine Insurance Company had issued to Fortier a policy of insurance on the tobacco, and having paid to him the amount of his loss under the policy, took an assignment of his claim in general average.

On January 25th, 1895, the Company filed its libel, claiming to be allowed in general average the full amount of damage which the tobacco had sustained.

Subsequently the New York and Cuba Mail Steamship 25
Company and the trustees in the general average bonds filed a cross-libel to recover the amount which by the adjustment was claimed to be due from Fortier, including the expense of raising the ship, the insurance company having guaranteed payment of any amount properly due from him.

NINTH.—The claim of the Insurance Company was that by the action of the master in turning on steam and battening down the hatches, the steam, laden with 26
smoke and the volatile contents thereof, including creosote, was forced through the wooden bulkheads and the hemp-packed bunkers to the place where the tobacco was stored, and saturated the tobacco which, otherwise, the smoke would not have reached.

TENTH.—As above stated the tobacco was removed from the ship and placed on lighters without further damage from any cause, and where it was in safety, waiting to be forwarded by other ships of the same line, as in fact it was a few days thereafter. Your 27
petitioner therefore claimed that when the tobacco was so placed on lighters it was separated in interest from the vessel and was not liable to contribute for the damage done her and her cargo in scuttling them, and the expense of raising them.

ELEVENTH.—The original cause came on to be heard on May 8th, 1895. On September 4th, 1895, the District Court rendered its decision by which it was decided that the tobacco was not in fact directly dam- 28
aged by steam, and that if there were any damage by smoke such damage was not a subject for general average contribution, even if increased by the turning on of the steam. That Court also decided that the sinking and raising of the ship was part of one continuous operation undertaken for the safety of the ship and cargo, and that therefore no separation of interests took place and no separation could be made in the adjustment. On September 7th, 1895, a decree was entered, dismissing the libel of the Insurance

29 Company in the original cause, and on January 21st, 1896, a decree was entered against them in the cross action for the amount found due by the adjustment.

TWELFTH.—From these decrees the Insurance Company appealed to the Circuit Court of Appeals. The appeal came on to be heard in November, 1896, and on the 8th day of December, 1896, that Court rendered its decision affirming the decrees of the Court below.

30 The Court says in its opinion :

"The testimony of witnesses apparently of equal prominence, skill and experience in the examination of tobacco, are at entire variance upon the subject, but upon a careful consideration of the respective statements, we have reached the conclusion that Fortier's bales were, as a whole, damaged by what they call, in varying language, 'smoke, heat and moisture,' or 'smoke and heat,' or saturation with 'a smoky flavor,'
31 and that the tobacco, which is a plant of peculiar sensitiveness, absorbed the flavor or odor of smoke, whereby its quality was greatly injured.

"The cause of the damage was presented by the libellant in a form different from that which was alleged in the libel, and was said to have arisen from the pressure of the steam which forced its way through the wooden bulkheads and carried the creosote contained in the smoke, from the burning heap to the tobacco stowed beyond the bulkhead, or as the cause
32 is stated in the answer to the Steamship Company's libel, by the turning of the steam into the forward part of the vessel 'the smoke and steam were forced into the after compartment and the tobacco damaged, which, but for such action on the part of the Captain, would have been uninjured by the smoke and fire." The theory of the scientific expert is, that the movable quality of smoke, its permeating and penetrating quality is necessarily much increased by the steam which absorbed it, and that the steam having absorbed the products of combination and especially acetic acid,

penetrated the crevices in its path and carried 33
with it the contents of the smoke which it had absorbed. We are of opinion that this is a correct theory and that more damage was caused by the pressure of steam which carried the smoke or its contents than would have been caused if no steam had been introduced into the lower between decks, but we are also of opinion that in the time, during which the fire was in active operation from one o'clock A. M. to five o'clock P. M., smoke in substantial quantities found its way, without the aid of steam pressure, to the to- 34
bacco and gave to it an injurious odor, and that if steam had not been used no part of the vessel would have been free from the pervasive effects of smoke. * * It is further manifest that it is impossible to tell the amount of damage which was caused by the pressure of the steam, as distinguished from the amount of damage caused by the unaided presence of smoke.

"The damage to a cargo, which was caused by fire or smoke, is not allowed in general average. The damage caused by water or by steam, which was intro- 35
duced as a means of suppressing the fire, is allowed. If it should be held that the loss arising from the two combined causes of injury should be adjusted upon different principles, it must be admitted that the means for acquiring knowledge of the amount of damage due to each cause are most vague and indefinite, because all that can be found is, that the steam, which was introduced to smother the fire and which was probably of benefit, enlarged or spread the deleterious effect of the smoke. It enlarged a 36
damage which is particular average, and the enlargement was a necessary incident to the means properly employed to extinguish the fire.

"We have, therefore, this in this case, an ordinary and an extraordinary smoke damage, and no one can tell how much is ordinary and how much is extraordinary. Under such circumstances it is unnecessary to consider what might or might not be a proper rule of adjustment in a case where such ordinary and extraor-

37 dinary damages were susceptible of separation and severally of exact ascertainment."

In regard to the liability of the tobacco to contribute to the expense of raising the vessel and cargo, the Court in its opinion, says, that the master expected to raise the vessel with the cargo still on board and finish the voyage, and that the separation may be considered to have been, not merely for the benefit of the ship, but for the benefit of both the ship and the rest of the cargo. The Court says :

38 "The tendency of the English decisions is in favor of a strict adherence to the idea that contribution should cease when common danger has ceased, and that they regard danger to the saved cargo as having ceased when it has been taken ashore to a place of safety, but that thus far in this country a more lax rule has prevailed, and it is held that cargo though actually separated from the imperilled ship, may still, for the purposes of average, be constructively within it. * *

"While the English decisions would not compel this
39 part of the cargo to contribute to the subsequent expenses upon the ship the facts of the case bring these expenses within the general rules stated in McAndrews *v.* Thatcher, 3 Wall., 347, which, though they were not absolutely necessary to the decision of that case, are deemed to be controlling upon this Court."

THIRTEENTH.—Your petitioner shows that by the decision of the Circuit Court of Appeals it is found that a substantial part ofthe damage was due to the turning
40 on of the steam, which, it is undisputed, was turned on shortly after the fire was discovered, and before any smoke could, in all probability, have reached the tobacco; that the Circuit Court of Appeals while deciding that a general average sacrifice was performed by the master, refuses compensation on the ground that it is impossible to distinguish how much damage was caused by this sacrifice, and how much by the unaided action of the smoke, thus, in effect, holding that the burden is on the owner of the goods damaged by a general average act, to determine how much of

the damage is due to such act, and how much to some other cause. 41

Your petitioner is advised that this precise point has never been decided by any Court of this or any other country, but your petitioner is advised that according to the rules prevailing in analogous cases, and particularly in actions against carriers the burden was upon the shipowner to show how much the goods were damaged by the direct action of the fire unaided by the voluntary act of the Master, especially, where, as in this case, the general average act was performed 42 while the goods were still uninjured.

FOURTEENTH.—Your petitioner is further advised that the captain in discharging the tobacco into lighters and sinking the ship, necessarily contemplated a breaking up of the voyage and a separation of interest, which was the course actually pursued, and that the tobacco so discharged and in safety should not be called upon to contribute for the cost of measures which only related to the ship and the cargo left in her, 43 at the time it was decided to sacrifice the rest of the cargo and save the ship by scuttling.

Your petitioner therefore avers that this case is one in which it is proper for the Court to issue a writ of *certiorari* for the following reasons:

(1.) Because the Circuit Court of Appeals erred in holding that nothing could be recovered where the circumstances were such as to make it difficult to determine how much damage was due to the general average act, and how much to the natural action of the fire. 44

(2.) The tobacco being uninjured when the steam was turned on, and it being admitted that substantial injury, entitling the owner of the tobacco to recover, was caused by the steam, the burden should have been cast upon the Steamship Company to show how much, if any, of the damage to the tobacco was due to causes for which the owner was not entitled to recover; and that it should have been decided that the owner of the tobacco was entitled to recover the whole amount of

damage, except so much thereof as the shipowner might prove was not due to the general average act.

(3.) The tobacco having been permanently separated from the vessel when discharged into lighters, there was no longer any community of interest with the vessel, and it should not be charged with the cost of operation undertaken to save the vessel alone, or with any part of the loss sustained by other cargo as the result of scuttling in order to save the ship.

(4.) It is a matter of great interest to shippers and shipowners and cargo-owners that it should be determined what the rule of law is in such cases, and how far owners of cargo are entitled to compensation in general average, when it cannot be precisely determined how much damage is due to the voluntary act of the master, and how much to the natural results of the peril to which the cargo is exposed.

(5.) Your petitioner is advised that the decision of the Circuit Court of Appeals as to the liability of the tobacco to contribute for expenses incurred in saving the ship after the tobacco had been removed therefrom and placed in safety is contrary to the rules in such cases laid down by the Circuit Court in McAndrews *v.* Thatcher, and that it is a matter of great public interest that there should be a determination by this Court as to whether the decision in McAndrews *v.* Thatcher has been correctly interpreted, and that it be definitely settled as to when and under what circumstances the interests of cargo and ship are to be deemed separated, and no longer liable to contribute to each other for subsequent sacrifices, to the end among other things, that the law of this country may be declared to be in harmony with the settled law of England and other European countries on this subject, or that the difference between such laws may be declared and definitely settled.

Wherefore, your petitioner prays that this Honorable Court will be pleased to grant a writ of *certiorari* in this

cause to the United States Circuit Court of Appeals 49
for the Second Judicial Circuit to bring this case before this Honorable Court, and for such other relief as to this Honorable Court may seem just.

THE RELIANCE MARINE INSURANCE COMPANY, LIMITED,
By WM. PARKIN,
One of its Proctors.

Southern District of New York, ss. : 50

WILLIAM PARKIN, being duly sworn says, that he is one of the proctors of the Reliance Marine Insurance Company, Limited, and is authorized to make this verification on its behalf. That he has read the foregoing petition and knows the contents thereof, and that the allegations contained therein are true according to deponent's information and belief. The sources of deponent's knowledge and the grounds of his belief are found in the proceedings and in the record of the cause in the District Court and in the United States 51
Circuit Court of Appeals.

Deponent further says that the Reliance Marine Insurance Company, Limited, is a foreign corporation and none of its officers reside within the United States, but, on the contrary, reside abroad, where they now are, as deponent believes.

WM. PARKIN.

Sworn to before me this 29th day of December, 1896.

WM. TURNER MACPHERSON, 52
[SEAL.] Notary Public,
New York County.

I hereby certify that I have examined the foregoing petition, and that in my opinion it is well founded, and that the same is one in which the prayer of the petitioner should be granted.

W. W. MACFARLAND,
Advocate.

165-720

Office Supreme Court, U. S.
FILED
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JAMES H. McKENNEY,
CLERK.

165-720

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# UNITED STATES SUPREME COURT.

THE RELIANCE MARINE INSURANCE COMPANY, LIMITED,

*Libellant,*

*against*

THE NEW YORK AND CUBA MAIL STEAMSHIP COMPANY AND OTHERS,

*Respondents.*

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THE NEW YORK AND CUBA MAIL STEAMSHIP COMPANY AND OTHERS,

*Libellants,*

*against*

THE RELIANCE MARINE INSURANCE COMPANY, LIMITED,

*Respondent.*

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## BRIEF IN SUPPORT OF PETITION FOR CERTIORARI.

MACFARLAND & PARKIN,
*Proctors for* RELIANCE MARINE INSURANCE CO.

W. W. MACFARLAND,
*Advocate.*

Livingston Middleditch Co., 65 to 67 Duane St. Telephone Franklin 196.

# United States Supreme Court.

THE RELIANCE MARINE INSURANCE COMPANY, LIMITED,
Libelllant,

AGAINST

THE NEW YORK AND CUBA MAIL STEAMSHIP COMPANY, and others,
Respondents.

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THE NEW YORK AND CUBA MAIL STEAMSHIP COMPANY, and others,
Libellants,

AGAINST

THE RELIANCE MARINE INSURANCE COMPANY, LIMITED,
Respondent.

## Brief in support of petition for a Writ of Certiorari.

### First.

The findings in respect to the damage to the tobacco are as follows:

"We have reached the conclusion that Fortier's bales were as *a whole* damaged by what they (the witnesses) call in varying language 'smoke, heat and moisture,' or 'smoke and heat,' or 'satura-

tion with a smoky flavor,' and that the tobacco which is a plant of peculiar sensitiveness absorbed the flavor or odor of smoke, whereby its quality was greatly injured. * * * The theory of the scientific expert is, that the movable quality of the smoke, its permeable and penetrating quality is necessarily *much increased by the steam which absorbed it*, and that the steam having absorbed the products of combustion, especially acetic acid, *penetrated the crevices in its path* and carried with it the contents of the smoke, which it had absorbed.

"We are of opinion that this is a *correct theory* and that more damage was caused to the tobacco by the pressure of steam, which carried the smoke or its contents, than would have been caused if no steam had been introduced into the lower between decks, but we are also of opinion that in the time during which the fire was in active operation, from one o'clock A. M. to five o'clock P. M., smoke in substantial quantities found its way without the aid of steam pressure to the tobacco, and gave to it an injurious odor, and that if steam had not been used, no part of the vessel would have been free from the pervasive effects of smoke. * * * It is further manifest that it is *impossible to tell the amount of damage which was caused by the presence of steam as distinguished from the amount of damage caused by the unaided presence of the smoke.* * * * * If it should be held that the loss arising from the two combined causes of injury should be adjusted upon different principles, it must be admitted that the means for acquiring knowledge of the amount of damage due to each cause are most vague and indefinite. * * * Under such circumstances it is unnecessary to consider what might or might not be a proper rule of adjustment in a case where such ordinary and extraordinary damages were susceptible of separation and severally of exact ascertainment."

It is thus laid down as a rule of law that where the damage is due to two causes, one general average and the other not, no matter what percen-

tage of the damage may be due to the former cause (it may in fact be 90%), the owner is not entitled to contribution, unless he is able to prove the proportion of the loss occasioned by the general average act.

It is with confidence submitted that such is not the true rule, but before taking up that subject other rulings call for notice.

1. It is not found that the tobacco had sustained any damage from smoke *before* the steam was turned on, and facts proved by the respondents conclusively show that it had not. As soon as the fire was discovered men were sent down into the upper between decks, and they were able to work there two or three hours before they were driven out by the heat and smoke (fols. 69, 70). The blind-hatch leading from the lower into the upper between decks where the men were at work was forward and far distant from the tobacco, which was shut off by the two bulkheads, and the hemp packed in the bunkers (fols. 399, 61, 63–65, 69, 90, 88). While the smoke was not yet sufficient to drive the men out it is obvious that it could not have reached the tobacco to do it harm Smoke, unlike steam, has no energy in itself; it would fall to the ground if not upheld and moved by the air, and in its then state and before the introduction of the steam it merely followed the currents of air exerting no pressure. Moreover, the tobacco in each bale was surrounded by a thick layer of bast to protect it from dampness and deleterious odors (fol. 208). For these reasons it would have been impossible to find, and it is not found that the tobacco had been damaged by smoke before the men left the hold at 3.30 A. M.

2. *Immediately* after the men left the hold, leaving the blind hatch open so that there was free communication between the lower and upper-between decks, the forward hatch on the main deck which the men had used was closed, battened down and *the steam turned on* (fols. 71, 72, 518). This was at 3.30 A. M., and the tobacco had not then been damaged by smoke. But

from that moment until 10.30 A. M. (a period of seven hours), when the ship arrived at Havana, steam poured into the hold through the two pipes at a pressure of 100 pounds to the square inch (fols. 750–756). As soon as the ship arrived at Havana fire engines poured water into the hold and continued to do so until the tobacco was removed (fols. 75, 76). It thus appears *that from the time the men left the hold at 3.30 A. M. the tobacco, being as yet undamaged, was until it was removed from the ship constantly exposed to the effects of the steam and the water employed to extinguish or reduce the fire.* Hence, as matter of fact is is plain that before the series of general average acts, the tobacco had sustained no damage; and that these acts must be regarded as the proximate cause of the whole damage.

3. But the Court is of opinion that if steam had not been introduced the smoke would have caused more or less damage to the tobacco. This is an hypothesis the truth of which cannot be known ; *it is not a fact.*

The Court expressly approves the theory of Professor Chandler, a practical chemist of great eminence in his profession, and he, by a practical experiment, in which all the essential conditions were exactly reproduced demonstrated that the smoke unaided by the steam would not have reached the tobacco, thus showing that the theory to the contrary expressed in the opinion is probably incorrect (pp. 88–112).

4. In the last analysis then, so far as the rules of law are concerned, the decision may perhaps be stated as follows with sufficient accuracy.

"The tobacco was in fact damaged by the steam carrying the noxious contents of the smoke to it. We do not say that the tobacco was in fact injured by smoke alone. We think, however, that if steam had not been introduced the smoke would have caused more or less damage. Assuming that to be so it is not practicable to determine how much of the damage was due to the smoke alone, or to the combination of smoke and steam. Therefore, there can be no allowance for the damage in general average."

This is equivalent to saying that if cargo is lost or damaged by a general average act, there can be no contribution if it appears to be probable that cargo would have been lost if the general average act had not been performed, which is contrary to first principles. 2 Parsons' Marine Ins., 287; *The Star of Hope* (9 Wall., 203); Fowler *v.* Rathbone (12th *id.*, 102); Lowndes' General Average (p. 293); Heye *v.* North German Lloyds (33 Fed. Rep., 62).

The general average acts produced a commingling or confusion of interests precisely analagous to that occasioned by the commingling of tangible property, and the principles that govern such cases are applicable. In cases of the latter class if the confusion was wrongfully made, and identity of property destoyed the law gives the whole mass to the injured owner. But when the confusion of interests results from the performance of an act not wrongful, the doctrines of equity control. Neither interest is wholly sacrificed or lost, and equity employs the best means available for their adjustment.

Sedgwick on Damages, Sec. 505.
Cooley on Torts, pp. 56, 57.
*The Idaho*, 93 U. S., 575.
Story's Eq. Jurs., Secs. 468, 623.
Woodenware Co. *v.* U. S., 106 U. S., 432.
Mackeldey's Roman Law, Secs. 277, 278.
Institutes of Justinian (Sandars), p. 104.

It is no bar to a remedy that exact justice cannot be done, in consequence of the obscurity of the case.

Story's Eq., Sec. 623.

But the decision in this case would deny all remedy to the person whose interests or property had lost their identity by the act of another, unless the injured owner was able to prove with exactness the amount of the damage due to *that* act, especially where other causes in operation at the same time may theoretically be supposed to have contributed more or less to the amount of the loss. Certainly this was error.

The *fact* of the damage and the *proximate cause* of it are known and found, and the law applying its maxim *causa proxima non remota spectatur* looks no farther, and regards only what did happen, not what might have happened (Arnould on Mar. Ins., 6th Ed., p. 727); everything else must be mere conjecture, and the whole damage must be attributed to the known active causes set in motion by the general average act if no separation is practicable. But facts wholly undisputed do supply data that compels the conclusion that substantially the whole damage was caused by the steam.

(1) The respondent itself proved and insisted that the tobacco was not damaged by rain or sea water before or after it left the ship, (fols. 96, 105). The covering of bast was intended as a protection against the moisture of the atmosphere or any light showers, of which, however, there were none (fol. 208), and was doubtless efficient for that purpose. But the two experts called for the respondent, say that three months after the removal of the bales some were wet *inside* as well as outside (fols. 476, 498). The six experts called for the libellants testify that all the bales were in different degrees wet *inside* (fols. 132, 328, 332, 176, 179, 180, 211, 230, 231, 247, 250, 252, 899-906, 919-932). Thus it is seen that all the witnesses agree that bales were wet *inside*.

(2) Now, as it is proved and admitted that the bales were not exposed to rain or sea water (which, even if present could not be supposed to have reached the very core of the bales) this wetness can be attributed to no other agent than steam,—all other possible causes are excluded, and, moreover, common knowledge tells us that from the admitted conditions to which the tobacco was exposed such was the effect of the steam to be expected.

Next, as to the burden of proof. The contract relation between the ship and the goods required the former to deliver the latter at the place of destination

undamaged. They were not so delivered and the ship set up a claim against them in general average, and proceeded to an adjustment, claiming before the adjusters that they should contribute on a certain basis. Other cargo interests united themselves to the contention of the ship against the tobacco, and thus there was in effect a suit in which all other interests were plaintiffs and the tobacco defendant. The actual damage of the tobacco was ascertained by auction sales, and the result was *accepted* by the Court of adjusters, so to speak (fol. 836). But they decided in favor of the ship's contention, because in their judgment the owner of the tobacco had not proved affirmatively that *all* the ascertained damage was due to the general average act (fols. 705–710, 1074). But it is entirely clear that it was the duty of the ship (1) to excuse the non delivery of the cargo sound ; (2) to establish affirmatively the amount of the lien which it set up as resulting from the general average act, and this necessarily involved the duty of showing what part of the admitted damage to the tobacco *was not due to the general average act*, which the ship performed. This suit is simply an appeal from the decision of the adjusters. The ship united with all other interests still retaining their hostile attitude as in effect plaintiffs, asserting their lien against the tobacco as defendant. The burden of proof remained unchanged, and it was plainly on the ship and its associated interests.

Lowndes on General Average, p. 293.

Starr *v.* Winegar, 3 Hun. 491 and cases there cited.

See also 1 Sedgwick on Damages (7th Ed.) Sec. 227 and cases cited.

**Second.**

It is submitted that it was error to charge the tobacco with any part of the expenses incurred on behalf of the ship or the cargo that remained in her after the tobacco had been permanently separated from the ship, and was in safety, waiting to be sent forward by other ships. *Common peril* is the sole fact that creates a tie of interest and obligation between ship and cargo in such cases, and when that fact *ceases to exist the tie is broken.* No rule of law or principle of equity perpetuates it for an instant longer.

"Goods or any interest in goods are not liable to contribution for any general average or expenses incurred subsequently to their ceasing to be at risk."

Phillips on Insurance, paragraph 1407.

Citing and approving the above it is said in McAndrews *v.* Thatcher (3 Wal., 267): "It is an undoubted rule that goods or any interest are not liable to contribute for any general average or expenses incurred subsequently to their ceasing to be at risk, because all that was not *actually at risk* at the time the sacrifice was made or the expenses incurred was not saved thereby, and no interest is compelled to contribute to the loss or expense *which was not benefited by the sacrifice.*" The principle thus laid down is in entire harmony with all the English decisions which are examined, cited and approved.

Thus in Job *v.* Langdon, 6 E. & B., 779, Lord Campbell said: "The expenses to constitute general average must be * * * incurred for the joint benefit of the ship and cargo."

The language of Bovil, C. J., in Walthew *v.* Mavrojani (L. R., 5 Ex., 116) is very pertinent: "The goods being then safe, what difference would it have made to their owners if the ship had been overwhelmed by the sea and sunk."

The Circuit Court of Appeals would appear to have expressly overruled, in this case, both McAndrews v.

Thatcher and a very recent decision of its own in P. M. S. Co. *v.* N. Y. H. & R. M. Co., (74 Fed. Rep., 564). In McAndrews *v.* Thatcher, the ship grounded in the lower bay of New York harbor; cargo was put on lighters and carried up to the city. Afterwards expenses were incurred in floating the ship, and the decision was that cargo was not liable to contribute to any expense incurred after its separation from the ship. In the other case the ship while on her voyage, and some distance from the port of departure, stranded; bullion on board was sent back to the port and forwarded by another ship of the same line. It was held that the bullion was not liable to contribute for the expenses of getting the stranded ship off.

In the present case the tobacco was unloaded, permanently separated from the ship, *and to save the ship she was scuttled*, and it is decided that the tobacco must contribute to the expense of raising the ship and the damage to other cargo due to the scuttling. But what controlling fact distinguishes this case from the two former? None is pointed out in the opinion and none would appear to exist. As in the other cases the cargo removed was no longer in peril, permanently separated from the ship and forwarded by other means. It cannot be the place at which interests were separated, for the rule has no relation to *locality;* it only enquires whether a *common peril* did or did not continue to exist. The tobacco after removal was on lighters for four days, in the same harbor with the *scuttled ship lying at the bottom of the sea;* did that proximity to the sunken ship while cargo was waiting transhipment affect the rule of law? That there was any intention of re-uniting the cargo to the ship and remaining cargo is not pretended. The decision to scuttle necessarily involved a determination to sacrifice all the cargo still remaining on board, so that it would cease to exist in specie. Therefore a theory of decision based upon the idea of a connected series of operations with a view to the completion of the voyage or adventure is obviously illusory. These considerations accentuate the axiomatic principle tha

the *nexus* of liability can only be found in the fact of "actual risk" or "common peril" at the very time the sacrifice is made or the expense is incurred for which contribution is demanded; beyond this fact there is no guiding rule, for the law does not permit a fiction of relation to supply the place of the palpable fact of "actual risk." McAndrews *v.* Thatcher, *supra*. The ship came home in the same state in which she was raised, bringing only the ruined cargo that went down with her when she was scuttled, and being in an unfit condition to receive any other. The facts then of the present case are in all material respects identical with those in the two cases above mentioned, and if we substitute the word tobacco for bullion, the following paragraph, in the opinion of the Circuit Court of Appeals in the case last mentioned, is precisely applicable to the present case:

"In this case the two facts of *intentional and permanent separation from the ship*, and a separation not for the safety of the ship or the rest of the cargo, show that as to the tobacco there was no continuity of operations, and that the relations of the owner to the ship and the rest of the cargo had been changed" (pp. 571, 572).

There is really no obscurity in the meaning of the dicta of Judge Clifford referred to in the decision of the Circuit Court of Appeals. Obviously the learned Judge is referring to a temporary interruption of a voyage and a landing of cargo while the ship is being made ready to proceed, then reloading it and proceeding to complete the adventure. For the like purpose of distinguishing, an exactly similar illustration is used in Job *v.* Langdon, namely, a temporary separation for the safety of cargo and to enable the ship to "complete the voyage," but in the present case the voyage was definitely broken up when the ship was scuttled. Besides it is difficult to see why these dicta should not have been thought to be as controlling in the case of the P. S. M. Co. (*Supra*) as in this case. If Havana had been the port of destination instead of the port of distress and cargo had been put on lighters and delivered

there, it could not be argued that it was concerned with subsequent expenses incurred in respect to the ship and remaining cargo. If the ship had become disabled while near New York, the port of destination, and the tobacco had been sent to destination, McAndrews *v.* Thatcher informs us that it would have been free from contribution for expense of subsequent operations. Is it possible then to discover any distinction in principle in the fact that after the tobacco had been separated from the *Seneca* it was forwarded to New York from Havana?

The decision is not professedly based on such an impossible distinction based upon the place of separation with reference to the port of departure or the place of destination, and the decisions above mentioned wholly exclude the theory of a connected series of operations for the benefit of the ship *and the tobacco.*

Finally, it is respectfully submitted that the prayer of the petition for the writ of *certiorari* should be granted.

W. W. MacFARLAND,
Advocate.

Office Supreme Court, U. S.
FILED
JAN 11 1897
JAMES H. McKENNEY,
CLERK.

684

# SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1896

No.

THE RELIANCE MARINE INSURANCE COMPANY, Limited
*Libellant-Appellant*

*vs.*

THE NEW YORK AND CUBA MAIL STEAMSHIP COMPANY
and others
*Respondents-Appellees*

No.

THE NEW YORK AND CUBA MAIL STEAMSHIP COMPANY
and others
*Libellants-Appellees*

*vs.*

THE RELIANCE MARINE INSURANCE COMPANY, Limited
*Respondent-Appellant*

## BRIEF TO OPPOSE PETITION

HARRINGTON PUTNAM
*Advocate*

## SUPREME COURT OF THE UNITED STATES.

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THE RELIANCE MARINE INSURANCE COMPANY, Limited,
Libellant-Appellant,

AGAINST

THE NEW YORK AND CUBA MAIL STEAMSHIP COMPANY,
and others,
Respondents-Appellees.

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THE NEW YORK AND CUBA MAIL STEAMSHIP COMPANY,
and others,
Libellants-Appellees,

AGAINST

THE RELIANCE MARINE INSURANCE COMPANY, Limited,
Respondent-Appellant.

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# BRIEF FOR THE NEW YORK AND CUBA MAIL STEAMSHIP COMPANY ON MOTION OF THE RELIANCE COMPANY FOR CERTIORARI.

On behalf of the owner of the Steamship *Seneca* as trustee for all interests associated in the general average, the following memorandum is submitted in opposition to the petition for certiorari by the Reliance Marine Insurance Company.

The question raised in the first case in which the petitioner was libellant is this:

Did the tobacco insured by it receive a sufficient damage allowance by the adjusters in general average?

The disputed matters of fact were (*a*) whether the tobacco received smoke damage. (*b*) If so, was it a result of turning on steam in the forward hold where the fire was?

The District Court (Honorable Addison Brown) found it unnecessary to decide these facts, as, even if

they were established, they did not make out a case of general average sacrifice.

The Circuit Court of Appeals were of opinion that the tobacco in question was damaged by smoke, but held, as did the District Court, that such damage is not allowed in general average, because (*a*) damage by smoke is particular average; (*b*) the effect of steam merely enlarged a particular average; (*c*) this enlargement was so vague and indefinite that in any event it is not capable of legal determination.

The fire was first discovered at 1.05 A.M., on December 24th, 1893, by smoke coming into the engine room (Stevens, fol. 59; Huckens, fols. 738, 740). After working on the fire between two and three hours without success, the steamer was put back for Havana, and the steam was let into the compartment where the fire was.

During these two or three hours the smoke was penetrating the ship uninfluenced by anything that the officers had done towards quenching the fire except possibly the closing of the forward hatches.

Steam was admitted and held the fire in check until the vessel returned to Havana.

After arrival there, more water was pumped into the *Seneca*, and she was finally scuttled in the harbor, when the fire was finally quenched.

The chief engineer testified that when he shut off the steam from the burning compartment, which he did three times, for intervals of fifteen to twenty minutes, the smoke then increased (Huckens, fols. 758, 760).

No authority or usage can be invoked to sustain the contention that such smoke damage is allowed in general average.

The learned District Judge said in his opinion (fol. 1138):

"I cannot find any support for the contention that the spread of fire or smoke damage incidental to proper efforts to extinguish the fire, gives rise to general average demands; and on principle it seems to me such damage must be excluded, because arising una-

voidably from the nature of fire and smoke, and because done by them alone in the course of proper efforts to extinguish them. Only where the damage is done by the agency employed to extinguish the fire, as in cases of water damage, can the damage be deemed a voluntary sacrifice."

At the annual meeting of the Association of Average Adjusters of the United States, held October 13th, 1896, the Chairman, Henry Wreaks, Esq., in his address reviewed the decisions touching general average and in particular this case as reported in the District Court. He said:

"As this claim for smoke damage was an innovation in our practise here, it is certainly gratifying that our practise should be so strongly upheld by the courts. Had the court sustained such a claim, it is easy to imagine the difficulty we should have in dealing with claims for increased smoke and fire damage put forward as remotely caused by general average acts, such as battering down hatches and bearing away of the ship—which would be claimed to have driven the fire and smoke into other parts of the vessel's hold."

Report of Annual Meeting U. S. Association of Average Adjusters, p. 362.

In Lee *v.* Grinnell, 5 Duer, 400, the masts were voluntarily cut away for the preservation of ship and cargo, and a blazing spar, thus falling down, broke through the deck, and carried the fire into the cargo, which had not before been on fire. The Court held that this was but a continuation or extension of the original peril, and that no claim could be allowed in general average for this additional damage from the falling spar.

The case is directly in point that either smoke or flame carried to a different part of the vessel, as a consequence of a voluntary act, is not a subject of general average.

The Judges of the United States Circuit Court of Appeals therefore rightly held that the circumstances made "it unnecessary to consider what might or might not be a proper rule of adjustment when such ordinary

and extraordinary damages were susceptible of separation and severally of exact ascertainment."

The only legal principle involved in this case is whether this was a correct rule of adjustment, or whether the insurer of certain cargo can make the average adjuster speculate on what the smoke damage would have been had different measures been taken to extinguish the fire.

## THE QUESTION OF SEPARATION OF INTEREST.

After the decision in the District Court of the original cause (Sept. 4, 1895) a motion was made for a re-hearing, wherein the Reliance Co. then for the first time urged that the tobacco, when discharged on lighters, was finally separated from the adventure and was not required to contribute to the subsequent expenses of raising the vessel. This motion was denied (pp. 287, 288).

It will be observed that this motion was made where the libel actually claimed damage sustained by Mr. Fortier's tobacco when on lighters. As a matter of fact all the water damage to the 64 bales claimed and allowed by the adjusters arose either after it was on the lighters, or in process of discharging upon them.

In order to recover the general average assessed, the steamship company then filed its libel for contribution under the average bond from the Reliance Co. as the guarantor of Mr. Fortier, to which the Reliance Co. answered, setting up as a defence that a separation of interests had occurred at Havana (fols. 1198, 1199). This was submitted upon the same testimony by stipulations as to damages and the adjustment (pp. 301, 302), whereupon a decree was rendered for the New York and Cuba Mail Steamship Co. and others for the general average and interest (p. 303). The appeal from this decree raised the question of alleged separation of interests by the sinking of the *Seneca* in Havana. The facts on this question are not in dispute. After the return of the *Seneca* to Havana, the pumping in of water continued until late in the afternoon, when

it was resolved to sink the steamer. All the cargo aft that could be removed before the ship went down was placed in lighters alongside. The *Seneca* filled and took ground in the harbor at 9.20 P. M.

Capt. Stevens was asked:

Q. "What was done with the lighters after the tobacco was put aboard? A. It was covered up with tarpaulins and the lighters were made fast alongside of the ship" (fol. 96).

Q. "About how many days were the bales there after it was lightered? A. Four days, I think" (fol. 105).

As the Steamship Company had other vessels, this tobacco was brought forward by them, and delivered in New York upon execution of general average bonds.

It is not quite correct to say that tobacco in lighters alongside was separated from the *Seneca* or that such cargo in floating lighters alongside a burning ship is in a place of safety.

The adjnstment which is an exhibit in the cause and not printed on account of its bulk shows:

The partial loss on vessel was $20,640.66 and the total of the general average was $324,838.83, which was apportioned as follows:

| | | | | |
|---|---|---|---|---|
| Vessel, valued at..... | | $147,623 00 | pays | $74,548 78 |
| Freight, valued at..... | | 7,188 29 | " | 3,630 05 |
| Cargo, | | | | |
| Value delivered.... | $256,194 99 | | | |
| Amount made good. | 232,246 13 | | | |
| | | 488,441 12 | " | 246,660 00 |
| | | $643,252 41 | pays | $324,838 83 |

Equal to 50.42943%.

The cargo delivered at New York was valued at $256,194.99. The allowances made in general average for damage to water cargo and while on lighters amounted to $232,246.13.

This cargo was consigned to 146 parties, scattered over this country, Canada, Europe and Australia.

Vessel and cargo were insured in a great many companies. The *Seneca* brought forward to New York general merchandise as follows :

| | |
|---|---|
| 261 Cases Cigars, | 54 Bales Sarsaparilla, |
| 630 Bales Tobacco, | 2 Empty Drums, |
| 124 Cases Cigarettes, | 3 Bales Hair, |
| 19 Bales Jalap, | 7 Pkgs. Loaf Sugar, |
| 1141 Bags Coffee, | 1 Box Flowers, |
| 106 Barrels Honey, | 3 Pkgs. Mdse. |
| 191 Bales Chicle, | 1 Pkg. Hardware, |
| 186 Bags Ore, | 12 Boxes Onions, |
| 14375 Bars Bullion, | 22 Cases Peppers, |
| 213 Bales Goatskins, | 58 Cases Vegetables, |
| 10 Bales Skins, | 1 Barrel Pines, |
| 155 Bales Deerskins, | 3 Cases Yellow Wax |
| 1 Bale Boarskins, | 107 B. Beeswax. |
| 665 Dry Hides, | 1 Box Hemp Leaves, |
| 188 Hides, | 1639 Bales Hemp, |
| 1 Barrel Wine, | 100 Bales Broom Root. |

A. As already shown, the libel verified by Mr. Despard, set up damage *after* the tobacco was placed on lighters; and distinctly claimed, that this damage was a proper subject of general average (fols. 16, 17). No amendment of this initial pleading was ever asked for.

B. The act of scuttling the *Seneca* was the last in a series of acts for the same purpose of putting out the fire.

It may fairly be said that from first to last, the one motive of the master was to put out the fire, using first steam and water, and then water alone. Whether water is pumped in by the ship's hose through holes in the deck, or by the hose of harbor engines through the deck, or enters by gravity through the discharge valves is immaterial, so long as it is all for the same purpose and for the common benefit.

"It has been quaintly said that little difference existed in theory 'between bringing the cargo to the water, and bringing the water to the cargo.'"

Gourlie, General Average, p. 154.

The sinking of the *Seneca* was but the continuation of the steps already taken before the discharge valves were opened,

The learned District Judge says:

"The case of *L' Amerique*,, 35 Fed., 835, and the various cases there cited in support of the libellant's contention, differ from the present in this fundamental distinction: That there the expenses of raising and getting the ship off arose from stranding, a sea peril; while here the expenses of raising were the consequence of the voluntary act of scuttling the ship, which was done, and necessarily done, to put out the fire. Thi swas itself a general average act; and it was merely the last of a series of measures taken by the master for the safety of the ship and whole cargo, from the time when he put back towards Havana, after he found that he could not put out the fire at sea with the appliances at hand. For more than 24 hours the master had been endeavoring to extinguish the fire by other means, but without success. When he found it was necessary to scuttle the ship he hurriedly removed as much of the cargo as possible, including the libellant's goods here in question" (p. 288).

C. In such a case of cargo on lighters the *nexus* of interest continues, and in case of damage to the cargo lightered the vessel and other cargo is required to contribute.

The contrary argument ignores the weighty fact that the scuttled *Seneca* had cargo still on board, in fact many times the quantity unladen into lighters. The act of sinking was therefore emphatically for the preservation of this cargo that otherwise would be consumed.

D. The voyage was never abandoned. The *Seneca* came to New York bringing all her cargo except that discharged into lighters from the after-between decks which had already arrived.

As this Court said in McAndrews *v.* Thatcher, 3 Wall, 347, 370, 371:

"Where the whole adventure is saved by the master, as the agent of all concerned, the consignments of

the cargo first unladen and stored in safety are not relieved from contributing towards the expenses of saving the residue; nor is the cargo, in that state of the case, relieved from contributing to the expenses of saving the ship, provided the ship and cargo were exposed to a common peril, and the whole adventure was saved by the master in his capacity as agent of all the interests, and by one continuous series of measures."

The tobacco insured by the petitioner was removed because of the decision to sink the ship, and as a part of that operation, with the intent to reduce the damage as much as possible. Not only was there no break in the connected operations but Capt. Stevens affirmatively testifies:

"As soon as I see that we couldn't put the fire out and we would have to scuttle the ship, I thought I would try to save all the cargo I could from aft" (fol. 78)

The discharge into lighters was no more a separation from the vessel than the common preparatory acts of unbending and sending down sails, and transfer of the ship's stores alongside into lighters, which a prudent master does, if time permits, so as to reduce the damage by scuttling as much as possible.

Unless Mr. Fortier's cargo should be required to contribute, the hurried removal of it from the ship would give it an unfair advantage over that of other shippers. It was for the general interest that all possible cargo be removed from the ship before she was submerged, otherwise the general average would be greatly increased. To reduce such a liability, the common interests can rightly be called on to contribute to make good a damage by rain and spray while upon lighters. This tobacco was therefore not removed in its own interest; it was entitled to no such preference; its removal was in the general interests, which would otherwise have paid for its loss.

In such case it is the policy of the law to leave the master free to act with the utmost promptitude, knowing that his selection of any particular cargo, does no

damage to the other interests, and gives no exemption to that particular part of the cargo which happens first to come out of the vessel. This is the underlying principle of general average. More than ever is the master of a burning ship, the agent of the common interests, whose acts instead of making a separation, unite them in a still closer community.

There is a special reason why the writ of certiorari should be withheld unless clear error appears.

By the past pendency of this suit, the settlement and closing of the adjustment has been kept open. The appellees, as trustees for all the scattered interests concerned, cannot settle their various contributions and allowances so long as this suit is pending. As the petitioner claims that the present allowance on its interest should be modified, any change that might be thus decreed must be made good from all other interests. In this way a single participant in general average by litigation on behalf of an interest which is relatively small, has already delayed the final settlement for about two years—a settlement involving the collection and payment of $324,638.83.

Interest upon the decree below is insignificant in comparison with such an inevitable loss and hardship. It is true that many of the larger interests have partially paid, but such payments can only be received and disbursed by the trustees as on account, leaving the final liability to await the issue of this suit, the only litigation pending.

Where both Courts have concurred upon the law, implicitly following the authority of the Court, no writ of certiorari should be granted to enable one participant with but a fractional interest to delay the settlement.

HARRINGTON PUTNAM
Advocate for Appellees.

165-720

Office Supreme Court, U. S.
JAN 20 1897
JAMES H. McKENNEY, CLERK.

165-720 IN THE

# Supreme Court of the United States

OCTOBER TERM, 1896. No. 694

## EX PARTE

## The Safety Insulated Wire and Cable Company, a Corporation of the State of New York.

PETITION for a Writ of *Certiorari*, requiring the United States Circuit Court of Appeals for the Fourth Circuit, to certify to the Supreme Court of the United States for its revision and determination, the Writ of Error taken by the Safety Insulated Wire and Cable Company, a corporation of the State of New York, and Citizen thereof, Plaintiff in Error,

*vs.*

The Mayor and City Council of Baltimore, a Municipal Corporation of the State of Maryland, Defendant in Error.

WM. PINKNEY WHYTE,
*For Petitioner.*

IN THE

# Supreme Court of the United States

OCTOBER TERM, 1896. No.

EX PARTE

## The Safety Insulated Wire and Cable Company, a Corporation of the State of New York.

PETITION for a Writ of *Certiorari*, requiring the United States Circuit Court of Appeals for the Fourth Circuit, to certify to the Supreme Court of the United States for its revision and determination, the Writ of Error taken by the Safety Insulated Wire and Cable Company, a corporation of the State of New York, and Citizen thereof, Plaintiff in Error,

*vs.*

The Mayor and City Council of Baltimore, a Municipal Corporation of the State of Maryland, Defendant in Error.

WM. PINKNEY WHYTE,
*For Petitioner.*

*To the Honorable, the Supreme Court*
*of the United States.*

The petition of The Safety Insulated Wire and Cable Company, a corporation of the State of New York, respectfully represents:

That it is a corporation, created under the laws of the State of New York, and a citizen thereof.

The defendant in error is the Mayor and City Council of Baltimore, a municipal corporation of the State of Maryland. An action was brought by the petitioner in the Circuit Court of the United States for the Fourth Circuit and for the District of Maryland, for a breach of a contract made between the petitioner and the said Mayor and City Council of Baltimore.

At the trial of the case in the Circuit Court, it appeared, that on the 28th June, 1893, the Mayor and City Council of Baltimore, through its authorized agency, its Electrical Commision, accepted a proposal of the petitioner to furnish cables, conduits and trenching, separately or as a whole, when it might be necessary, within such boundaries, as the commision may determine, for the purpose of placing the lines of the police, fire alarm, telegraph and police patrol system of that city, underground. On the 30th June, 1893, the Mayor and City Council of Baltimore, through its said commission refused to carry out the contract or to proceed any further therein.

The defendant appeared and pleaded the general issue, on which issue was joined; and at the trial, the defendant, under the ruling of the Court, set up under that issue, and relied upon the defence, for its breach of the contract, "that the charter of the plaintiff did not authorize it to make such a contract."

At the trial of the case, the Court affirmed the point, submitted by the defendant as follows:

"That as the charter of the plaintiff shows, that the plaintiff had not the legal capacity to enter into the contract set forth in the declaration, and as the said contract is executory, under the pleadings and evidence, the verdict must be for the defendant."

There were certain other defences made by the defendant and certain other points affirmed by the Court, but, under the instruction of the Court above set forth, the jury was compelled to find a verdict for the defendant.

This instruction of the Circuit Court was affirmed in the opinion, filed in the Circuit Court of Appeals, to the effect, that the contract, for the breach of which suit was brought, was not within the powers of the plaintiff corporation.

After the argument of the case in the United States Circuit Court of Appeals, and while the case was held under advisement of the Court, the decision of the Supreme Court of the United States in the case of Jacksonville, &c., Railway Co. vs. Hooper, 160 U. S. 524, was published, and the attention of the United States Circuit Court of Appeals was called to it, and it is respectfully contended, that the decision of the said latter Court is in conflict with the decision of the Supreme Court in the said case in 160 U. S. 524.

Your petitioner files herewith, as required by Rule 37, a certified copy of the entire record of the case in the United States Circuit Court of Appeals, and respectfully shows to your Honorable Court, that the question involved is one of such gravity and importance, as to justify to your Honorable Court an application to require the record of the said proceeding to be certified to the Supreme Court for its review and determination.

The question is one of vital interest to this corporation and to other like corporations, created under the Statutes of the State of New York, and of general pub-

lic interest. It is of the utmost consequence to such corporations that the extent of their incidental powers should be definitely settled by the highest authority.

LEONARD F. REQUA,
*Treasurer of the Safety*
*Insulated Wire & Cable Co.,*
*Petitioner.*

WM. PINKNEY WHYTE,
*Atty. for Petitioner.*

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UNITED STATES OF AMERICA,
SOUTHERN DISTRICT OF NEW YORK. } ss.

This day, personally, appeared before me, a United States Commissioner for the Southern District of New York, Leonard F. Requa, Treasurer of the Safety Insulated Wire and Cable Company, the plaintiff below and the plaintiff in error in the United States Circuit Court of Appeals in the above entitled cause, and having been duly sworn, did depose and say, that he has read the foregoing petition, and that the facts therein stated are true to the best of his knowledge, information and belief.

LEONARD F. REQUA.

Sworn to and subscribed before me, this 7th day of December, 1896.

JOHN A. SHIELDS,
[Seal.] *United States Commissioner for the*
*Southern District of New York.*

## BRIEF OF ARGUMENT IN SUPPORT OF THE PETITION.

The question raised by the Record is, whether the plaintiff in error had power under its charter to enter into the contract for the breach of which it brought suit against the defendant in error, and for which breach it seeks to recover damages.

A discussion would be out of place in this Court in regard to the general principle that "contracts of a corporation beyond the scope of powers, enumerated in its charter (read in the light of any general laws, which are applicable) and other powers not fairly incidental thereto, are unlawful and void."

There are too many adjudications of this tribunal sustaining this proposition; nevertheless there have been quite a number of exceptional cases in this Court where the Court, not discarding the general principle, has sustained contracts, as not being *ultra vires*, when the charter of the corporation has been fairly construed in the light of the statutes, and of the powers incident to the operations of the corporation.

The city of Baltimore being desirous of placing the wires of the police, fire alarm, telegraph and police patrol systems of that city under ground, obtained the authority of the General Assembly of Maryland to do this and to provide for the expense thereof. Acting under this authority the Mayor and City Council of Baltimore passed an ordinance instructing certain officials of that city as a commission to advertise for proposals to furnish cables, conduits, and trenching, separately or as a whole, when it may be necessary within such boundaries, as the commission may determine. This commission advertised for proposals for said cables, conduits and trenching, and received bids therefor. The plaintiff in error put in its bid to furnish the required material and do the necessary work to

lay the cables for the uses required, according to the plans and specifiations furnished, for the sum of $97,985. This bid was duly accepted. Subsequently the city refused to carry out the contract, and suit was brought for its breach. The city's defense was that plaintiff in error had no power under its charter to make such contract. It is contended that the defense was untenable.

In Green Bay, &c. R. R. vs. Union Steamboat Co., 107 U. S., 98, this Court has said: "But whatever under the charter and other general laws reasonably construed may be fairly regarded, as incidental to the objects for which the corporation is created, is not to be taken as prohibited."

As said by Lord Selborne, in Attorney General vs. Great Eastern Railway, 5 Appeal Cases, 473: "This doctrine, (*ultra vires*,) ought to be reasonably and not unreasonably understood and applied, and that whatever may be fairly regarded as incidental to or consequential upon those things, which the Legislature has authorized, ought not, unless expressly prohibited, to be held by judicial construction to be *ultra vires*."

In the case of Fort Worth City Co. vs. Smith Bridge Co., 151 U. S., 294, it was held, that a corporation created for the purpose of dealing in lands, possesses as fairly incidental the poweer to incur liability in respect to securing better facilities for transit to and from lots or lands which it is its business to acquire and dispose of. "The contract in that case was for building a public bridge across a river running through its lands, binding the corporation to pay one-third of its cost, and to pay its bonds jointly, executed by itself and another corporation. Relying upon the current of authority, as to general principles, yet believing, that the facts of each particular case must largely govern its decision, it was contended, in the United States Circuit Court of Appeals, for the plaintiff in error, that the contract in question

was clearly embraced within the incidental powers of the plaintiff corporation.

The company was incorporated under the provisions of the Act of the Legislature of the State of New York, passed February 17, 1848, entitled "An Act to authorize the formation of corporations for manufacturing, mining, mechanical or chemical purposes," &c.

"*First.* The corporate name of the said company shall be The Safety Insulated Wire and Cable Company."

"*Second.* The objects for which the said company is formed are as follows, viz.: To carry on the business of manufacturing compositions or compounds or preparations of Indian rubber, gutta percha and other gums and substances by any invention, process or method soever; for the insulation and protection of wires, cables and other articles soever; and the business of preparing, insulating and protecting wires, cables and other articles soever by the use, aid or application of such compositions or compounds; and the manufacture with, or with the use or aid of such compositions or compounds, tubing, hose, packing and all other articles soever, and all business, acts and things incident thereto or connected therewith."

It was contended that the power to make the contract, upon which suit was brought, is expressly given by the words of its charter. The language on this subject would read thus: "To carry on the business of manufacturing compositions, &c., &c. * * * and the business of preparing, insulating and *protecting* wires, cables and other articles soever by the use, &c.; and the manufacture * * * of tubing, hose, packing and *all other articles soever*, and all business, acts and things incident thereto and connected therewith." (Record, page 90.)

The power of protecting wires, cables, &c., and of the manufacture of tubing, hose, packing and all other

articles soever, for the protection of cables, clearly authorized the plaintiffs to make all the articles required for the laying in ducts, for their protection, the cables, called for in the contract

But if the power was not expressly granted, it is included as an incidental power, necessary to the conduct of the business and connected with it.

The contract was authorized, inasmuch as it was neither directly nor impliedly forbidden; was germane to the subject for which the company was formed, and its purpose was to make sale of the products of the company, and it was incidental to its successful business.

In Railway Co. vs. McCarthy, 96 U. S. 267, the Supreme Court said: "When a contract is not on its face, necessarily, beyond the scope of the power of the corporation, by which it was made, it will, in the absence of proof to the contrary, be presumed to be valid. Corporations are presumed to contract within their power. The doctrine of *ultra vires*, when invoked for or against a corporation, should not be allowed to prevail, where it would defeat the ends of justice or work a legal wrong."

This company was organized under the general law of New York relating to corporations, powers, &c. (3d Vol. Revised Statutes of New York, Banks' Eighth Edition, page 1723.)

"Section 1. Every corporation, as such, has power,

1. To have succession by its corporate name, for the period limited in its charter; and when no period is limited, perpetually.

2. To sue and be sued, complain and defend, in any Court of law or equity.

3. To make and use a common seal, and alter the same at pleasure.

4. To hold, purchase and convey such real and per-

sonal estate, as the purposes of the corporation shall require, not exceeding the amount limited in its charter.

5. To appoint such subordinate officers and agents, as the business of the corporation shall require, and to allow them a suitable compensation.

6. To make by-laws, not inconsistent with any existing law, for the management of its property, the regulation of its affairs and for the transfer of its stock.

Sec. 2. The powers enumerated in the preceding section shall vest in every corporation, that shall hereafter be created, although they may not be specified in its charter or in the Act under which it shall be incorporated.

Sec. 3. In addition to the powers enumerated in the first section of this title and to those expressly given in its charter, or in the Act under which it is or shall be incorporated, no corporation shall possess or exercise any corporate powers, *except such as shall be necessary to the exercise of the powers so enumerated and given.*"

The Act of 1848, chapter 40, authorizes the formation of corporations for the purpose of carrying on any kind of manufacturing, mining, mechanical, or chemical business, &c., under the general provisions of law hereinbefore referred to.

3d Vol. Rev. Statutes of N. Y., page 1953.

Acts of incorporation, like other Statutes, must have a reasonable interpretation, so as to accomplish the intention of the Legislature, and all such powers are implied as may be necessary to carry into effect those expressly granted, that is to say, such as are reasonably incidental to the exercise of the express powers.

Mayor and C. C. Baltimore vs. B. & O. R. R. Co., 21 Md. 90-91.

In 1 Morawetz, Priv. Corp., section 362, it is said:

"It is a well established general rule that a corporation may carry on the business for which it was char-

tered in the manner *in which a business of that particular kind is usually carried on. What is the usual manner of carrying on business cannot be determined by the application of purely legal principles. It is a question of fact, and not a question of law.* Evidently, therefore, it is impossible to decide absolutely that acts of a particular description are within or without the chartered powers of a corporation. The right of a corporation to perform an act depends, in every case, on all the surrounding circumstances. No act is authorized under all circumstances, and facts can be conceived, which would render almost any act justifiable."

The testimony in this case proved conclusively that it was necessary and *usual* with companies incorporated, and in business, similar to the plaintiff's, to enter into contracts like the one in suit. (Seeley, Record, 106; Requa, Record, 115-116.)

"Independent of the express authority conferred by the charter, the corporation, as an incident of its creation, has the power to make all contracts, whether express or implied, whether by bond, bill of exchange or negotiable note, which are entered into *in the usual and necessary course of its legitimate business*, except where there is a statutory prohibition."

Phila. & W. Chester R. Co. vs. Hutman, 28 Penn. St. 318.

The language of the charter here is: "and all business, acts and things, *incident thereto and connected therewith.*"—(Record, page 90.)

The words of the general law of New York, relating to manufacturing companies, after describing the express powers, adds: "*Such as shall be necessary to the exercise of the powers so enumerated and given.*"

3d Vol. Revised Stats. N. Y., 1723 (Bank's 8th Ed.)

Now the construction given to these statutory words, "necessary to the exercise" has been settled by some of the best considered authorities.

Chief Justice Beasley, in State R. R. Co. vs. Hancock, 6 Vroom, 545, says: "Power necessary to a corporation does not mean simply power, which is indispensable." "A power, which is *obviously appropriate and convenient* to carry into effect the franchise granted, has always been deemed a necessary one. (Page 546.) In short, the term comprises a grant of the right to use all means suitable and proper to accomplish the end which the Legislature had in view at the time of the enactment of the charter." (Page 547.)

While it is true that when the State challenges the action of one of its corporate creations, it may insist on a clear warrant for its action, but the application of the doctrine of *ultra vires* to the acts of a corporation in suits by individuals is not by an inflexible rule—it yields not only to necessity, but to transactions incidental to prescribed powers.

Chic. R. I. & P. R. R. vs. Union Pac. Co., 47 Fed. Rep. 15.

The rule of strict construction exists in the first instance as above stated. "A milder rule will be applied, when a corporation seeks to repudiate a contract made with another corporation into which it has formally entered."

"It is not seemly for a corporation, any more than an individual, to make a contract and then break it."

Statutes should be interpreted according to the most natural and obvious import of their language without resorting to subtle or forced construction for the purpose either of limiting or extending their operations.

Instances may be cited, where the rules above asserted, have been adopted.

A gaslight company is a manufacturing corporation; it manufactures the gas, but in order to sell it to the consumer for use on his premises, the company lays its pipes to the boundary of the consumer's lot, can it be said that this digging of the trenches and laying the pipes is not necessary to the business of manufacturing gas?

The business of preparing ice in its natural condition for use, as an article of consumption, is within a statute authorizing the formation of corporations for manufacturing purposes.

Att'y Gen. vs. Lorman, 59 Mich. 157.

The manufacture of lumber, flour and meal, is within the meaning of a statute, authorizing the formation of corporations for manufacturing, agricultural, mining and mechanical purposes.

Cross vs. Pinkeyville Mill Co., 17 Ills. 54.

So where a railway company under its charter as a common carrier undertook to mine coal and sell a part of it. The Court said:

"If, in truth, the real object of the colliery was to supply the railway with cheaper coals, it would be proper to allow the accidental profit of selling coal to others; but if the principal object of the colliery was to undertake the business of raising and selling coals, then it would be a perversion of the funds of the company, and a scheme which ought not to be permitted, however profitable it might appear to be."

"The prohibition or permission to carry on this trade would depend on the conclusions, which the Court drew from the evidence." The same observations apply here: If the use of the boat is really to assist the traffic on the existing railway, it is lawful and proper; but if the object be to extend the traffic to places beyond the railway,

which the railway is never intended to reach, then it is illegal and beyond the power of the company."

Lyde vs. Eastern Bengal Railway Co., 36 Beavan, 17.

Here the object of the contract was really to assist the plaintiff in selling their manufactured cables, tubing and the like.

After the argument of counsel had been made in the Circuit Court of Appeals and the case submitted, the decision of the Supreme Court of the United States in the case of Jacksonville, &c., Railway Co. vs. Hooper, 160 U. S. 524, was announced, and the attention of the Circuit Court of Appeals was called to it, and although considering it, it is respectfully submitted, that their decision is at war with the views laid down by this Court.

In the Jacksonville, &c., Railway vs. Hooper case, *supra*, the Supreme Court says:

"We do not seek to relax, but rather to affirm, the rule laid down by this Court in Central Transportation vs. Pullman's Car Company (above cited), that 'a contract of a corporation, which is *ultra vires*, in the proper sense; that is to say, outside the object of its creation as defined in the law of its organization, and, therefore, beyond the powers conferred upon it by the Legislature, is not voidable only, but wholly void, and of no legal effect—the objection to the contract is not merely that the corporation ought not to have made it, but that it could not make it. Such a contract can not be ratified by either party, because it could not have been authorized by either. No performance on either side can give the unlawful contract any validity, or be the foundation of any right of action upon it.' (139 U. S. 59, 60.)

"But we think the present case falls within the language of Lord Chancellor Selbourne, in Attorney General vs. Great Eastern Railway, 5 App. Cas. 473, 478, where, while declaring his sense of the importance of

the doctrine of *ultra vires*, he said: 'This doctrine ought to be reasonably, and not unreasonably, understood and applied, and that whatever may be fairly regarded, as incidental to, or consequential upon, those things which the Legislature has authorized, ought not, unless expressly prohibited, to be held, by judicial construction, to be *ultra vires*.' In the application of the doctrine, the Court must be influenced somewhat by the special circumstances of the case. As was said by Romilly, M. R., in Lyde vs. Eastern Bengal Railway, 36 Beav. 10, where was in question the validity of a contract by a railway company to work a coal mine: 'The answer to this argument appears to me to depend upon the facts of each particular case. If, in truth, the real object of the colliery was to supply the railway with cheaper coals, it would be proper to allow the accidental additional profit of selling coal to others; but if the principal object of the colliery was to undertake the business of raising and selling coals, then it would be a perversion of the funds of the company, and a scheme which ought not to be permitted, however profitable it might appear to be. The prohibition or permission to carry on this trade would depend on the conclusions which the Court drew from the evidence.'

"The principle upon which we may safely rule the present question is within the case of Brown vs. Winnisimmet Company, 11 Allen, 336, 334. There a contract, made by the treasurer of a ferry company, to lease one of the company's boats for a certain money consideration, was alleged to be void for want of antecedent authority given by the company to the treasurer, and also because such a contract was not made in the legitimate exercise of the company's powers. On the first point it was ruled that, from evidence showing ratification by the company, it was proper for the jury to infer that the treasurer had been duly authorized to make the contract, and, disposing of the second ques-

tion, the Court, through Chief Justice Bigelow, said: 'We know of no rule or principle by which an act, creating a corporotion for certain specific objects, or to carry on a particular trade or business, is to be strictly construed as prohibitory of all other dealings or transactions not coming within the exact scope of those designated. Undoubtedly the main business of a corporation is to be confined to that class of operations which properly appertain to the general purposes for which its charter was granted. But it may also enter into, and engage in transactions which are incidental or *auxiliary to its main business*, which may become necessary, expedient, *or profitable* in the care and management of the property which it is authorized to hold under the Act by which it was created.'

It is respectfully submitted, that the very authorities cited by the Supreme Court in Jacksonville, &c., vs. Hooper, *supra*, in support of the decision in that case, were pressed upon the Circuit Court of Appeals by the Plaintiff in Error.

It is true, that the primary business of the corporation, the Plaintiff in Error, was to manufacture compounds for insulating wires, *cables* and other articles, and also making *tubing*, hose, packing, &c.; but the manufacturer had coupled with it the power to sell the manufactured articles, and to take contracts to furnish complete the plant for the use of the articles so manufactured, and the proof was full, that the contract in this case was for work and materials *usually* supplied by companies of like character and doing similar business.

"Corporations may so far develop and extend their operations, as to engage in matters not primarily contemplated by their founders, provided also, that in so

developing and extending their undertakings, they employ direct and not indirect means."

Green's Brice, 86.

It is most respectfully suggested that the Plaintiff in Error is justified in making the assertion, that upon the question raised by the petition, this Court has stated its understanding of the law for which the petitioner contends.

WM. PINKNEY WHYTE,

*For Petitioner.*